



# BANNARI AMMAN SPINNING MILLS LIMITED

Regd. Office : 252, Mettupalayam Road, Coimbatore - 641 043, Tamilnadu, INDIA

Telephone : 0422 - 2435555 E-mail : [shares@bannarimills.com](mailto:shares@bannarimills.com)

Website : [www.bannarimills.com](http://www.bannarimills.com) CIN : L17111TZ1989PLC002476 GSTRN : 33AAACB8513A1ZE

BASML/SEC/386/SE/2025-26

24.6.2025

The Manager  
Listing Department  
National Stock Exchange of India Limited  
"Exchange Plaza", C-1, Block G  
Bandra-Kurla Complex  
Bandra (East), Mumbai 400 051

The Manager  
Listing Department  
BSE Limited  
Floor 25, Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001

Sir,

**Sub: Filing of Annual Report for the year 2024-2025- Regulation 34(1) – reg.**

**Ref: Scrip Code: NSE - BASML ; BSE - 532674**

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we submit herewith the Annual Report of the Company for the financial year 2024 - 2025 along with the AGM Notice.

The said Annual Report has also been uploaded on the website of the Company at [www.bannarimills.com](http://www.bannarimills.com)

Kindly take on record the above information.

Thanking you,

Yours faithfully,

**For BANNARI AMMAN SPINNING MILLS LIMITED**

**N KRISHNARAJ  
COMPANY SECRETARY**

Encl: as above



# BANNARI AMMAN SPINNING MILLS LIMITED

Regd. Office. 252, Mettupalayam Road, Coimbatore - 641043

Phone: 0422- 2435555, Website: [www.bannarimills.com](http://www.bannarimills.com),

e-mail: [shares@bannarimills.com](mailto:shares@bannarimills.com) CIN: L17111TZ1989PLC002476

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 35<sup>th</sup> Annual General Meeting of the Members of the Bannari Amman Spinning Mills Limited (the Company) will be held on Monday, the 21<sup>st</sup> July, 2025 at 11.30 AM (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the business set out in the agenda given below:

You are requested to make it convenient to attend the meeting.

## AGENDA

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company, both Standalone and Consolidated, for the financial year ended 31<sup>st</sup> March, 2025, together with the reports of the Board of Directors' and the Auditors thereon;
2. To appoint a Director in the place of Sri S V Arumugam, (DIN 00002458) who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS

3. **To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:**

**RESOLVED** that pursuant to the provisions of Section 204(1) and other applicable provisions if any of the Companies Act 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 for the time being in force (including any statutory modification(s) or re-enactment(s) thereof) and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and pursuant to the recommendation of the Board of Directors, Mr R Dhanasekaran, Practicing Company Secretary (Membership Number FCS: 7070; COP: 7745), be and is hereby appointed as Secretarial Auditor for a term of five consecutive years (1.4.2025 to 31.3.2030) from the conclusion of this 35<sup>th</sup> Annual General Meeting till the conclusion of 40<sup>th</sup> Annual General Meeting of the Company at such remuneration as may be determined by the Board of Directors of the Company.

4. **To consider and if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:**

**RESOLVED** that pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation of Audit Committee, the remuneration of Rs.1,00,000 (Rupees One Lakh only) (besides reimbursement of out of pocket expenses incurred by him for the purpose of Audit) payable to Sri M Nagarajan, Cost Auditor (Firm Registration No.102133), as approved by the Board of Directors for conducting the audit of the Cost Records of the Company for the Financial Year ending 31<sup>st</sup> March, 2026 be and is hereby ratified and confirmed.

By order of the Board

Coimbatore  
21<sup>st</sup> May, 2025

**S V ARUMUGAM**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN 00002458**

## STATEMENT OF MATERIAL FACTS IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM No. 2

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS-2) and in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment / re-appointment:

|                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name                                                               | Sri S V Arumugam                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Age                                                                | 76 Years                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Qualification                                                      | B.Sc., ACA                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Experience                                                         | He has nearly 5 decades of experience in Industry. He has vast experience and expertise in Textile Industry Management particularly in the fields of Project Operational and Financial Managements for more than four decades.                                                                                                                                                                                                                                                   |
| Terms and conditions of appointment or re-appointment              | The proposed resolution is for the reappointment of him in the Vacancy caused by his retirement by rotation.                                                                                                                                                                                                                                                                                                                                                                     |
| Last drawn remuneration                                            | Rs.60.00 Lakhs for the Financial Year 2024-25.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Date of first appointment on the Board                             | 27.6.2005                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| No. of shares held                                                 | 6,88,869 Equity shares of Rs.5/- each                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Relationship with Directors, Managers and KMP                      | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| No. of Board Meetings attended during 2023-2024                    | 7 out of 7 meetings held.                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Other Directorship                                                 | Bannari Amman Flour Mill Private Limited<br>Sakthi Murugan Transports Private Limited<br>Anamallais Agencies Private Limited<br>Anamallais Automobiles Private Limited<br>Anamallais Motors Private Limited<br>Bannari Amman Properties Private Limited<br>Bannari Amman Retails Private Limited<br>Bannari Infotech Private Limited (formerly<br>Bannari Amman Infinite Trendz Private Limited)<br>Murugan Enterprise Private Limited<br>Senthil Infrastructure Private Limited |
| Member of Committee                                                | Stakeholders Relationship Committee - Member                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Chairman/Member of the Committees of the Boards of other Companies | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Listed entities from which resigned in the past three years        | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

Except Sri S V Arumugam, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested in the proposed resolution.

**ITEM NO. 3 :**

As per section 204 of the Companies Act, 2013, every listed company shall annex with its Board's report made in terms of sub-section (3) of section 134, a Secretarial Audit Report, given by a Company Secretary in Practice, in such form as prescribed in the rules thereto.

Further, as per the amendment to the Regulation 24A, of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015) amendment vide the Notification No.SEBI/LAD-NRO/GN/2024/218 dated 12.12.2024, every listed company shall appoint a Peer Reviewed Company Secretary as a Secretarial Auditor for a term of 5 consecutive years starting from 1.4.2025 to 31.3.2030 and such appointment shall be approved by the shareholders.

Accordingly, the Board of the Directors of Company on the recommendation of Audit Committee proposed to appoint Mr R Dhanasekaran, Practicing Company Secretary as a Secretarial Auditor for the company for a term of 5 consecutive years from 1.4.2025 to 31.3.2030 and to fix remuneration.

The Board of Directors recommend the Special Resolution as set out in this item of the Notice for the approval of members.

**ITEM No. 4**

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of Sri M Nagarajan, Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending 31<sup>st</sup> March, 2026.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending 31<sup>st</sup> March 2026, as set out in the resolution.

The Board of Directors recommend the Ordinary Resolution as set out in this item of the Notice for approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item Nos 3 & 4.

By order of the Board

Coimbatore  
21<sup>st</sup> May, 2025

**S V ARUMUGAM**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN 00002458**

**Notes:**

1. Ministry of Corporate Affairs Circular Ref. Nos: 20/2020 dated May 5, 2020, 2/2022 dated May 5, 2022 and SEBI Circular No: SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated October 7, 2023 permitted the holding of Annual General Meeting through VC/OAVM without the physical presence of the members at the common Venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 the Annual General Meeting of the members of the Company is being held through VC/OAVM.
2. Pursuant to the provisions of the Companies Act, 2013, a Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to the Notice.
3. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to sharpcs1@gmail.com with copies marked to the Company at shares@bannarimills.com and to its RTA at coimbatore@in.mpms.mufig.com.
4. The name of the RTA changed from "Link Intime India Private Limited" to "MUFG Intime India Private Limited" w.e.f. 31.12.2024.
5. Members are requested to submit the questions in advance on the e-mail address shares@bannarimills.com.
6. As per MCA General Circular No. 20/2020 dated May 5, 2020 and 2/2022 dated May 5, 2022 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, dispatching of physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith), such statements shall be sent only by e-mail to the members and hence sending of Annual Report by physical mode has been dispensed with.
7. The members attending the meeting through VC/OAVM shall be reckoned for the purpose of Quorum as stipulated under Section 103 of the Companies Act, 2013.
8. All the resolutions will be passed through the facility of e-voting system only.
9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details in respect of items 3 & 4 of the Agenda forms part of this document.
10. The register of members and the share Transfer books of the company will remain closed from 15.07.2025 to 21.07.2025 (both days are inclusive).
11. Previous year figures are given in brackets for the purpose of comparison.
12. Relevant documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection through electronic mode only.
13. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to offer the facility of voting through electronic means, as an alternate, to all its Members to enable them to cast their votes electronically.

14. The voting through electronic means will commence on 18.07.2025 at 10.00 A.M and will end on 20.07.2025 at 5.00 P.M. The Members will not be able to cast their vote electronically beyond the date and time mentioned above and the e-voting system shall be disabled for voting thereafter. The persons those who are holding shares as on the cut-off date of 14.07.2025 are only eligible to cast their e-voting.

**15. Registration of email ID and Bank Account details:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate the following instructions to be followed:

i) Shareholders holding shares in physical mode are requested to communicate their change of postal address (enclose copy of Aadhar Card), e-mail address if any, self-attested copy of PAN Card and bank account details (enclose cancelled Cheque leaf) quoting their folio nos. to the Registrar and Share Transfer Agents M/s. MUFG Intime India Private Limited, Surya, 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641 028.

ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the e-mail address and bank account details in the demat account as per the process followed and advised by the DP.

16. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2024-25 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Further a letter providing the weblink including the exact path where the complete details of the Annual Report is available will be sent to the shareholders who have not registered their e-mail address. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2024-25 will also be available on the Company's website [www.bannarimills.com](http://www.bannarimills.com); websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

17. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

18. The Company has appointed Sri R Dhanasekaran, Practicing Company Secretary, to act as the Scrutinizer for conducting the voting process in a fair and transparent manner.

19. Instructions for e-voting and joining the Annual General Meeting are as follows:

**REMOTE E - VOTING INSTRUCTIONS FOR SHAREHOLDERS**

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

*Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.*

*Login method for Individual shareholders holding securities in demat mode is given below:*

**Individual Shareholders holding securities in demat mode with NSDL**

**METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility**

**Shareholders who have registered for NSDL IDeAS facility:**

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter User ID and Password. Click on "Login"
- c) After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

**Shareholders who have not registered for NSDL IDeAS facility:**

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post successful registration, user will be provided with Login ID and password.
- d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL**

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
  - a) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
  - b) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**Individual Shareholders holding securities in demat mode with CDSL****METHOD 1 - Individual Shareholders registered with CDSL Easi/ Easiest facility****Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:**

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or [www.cdslindia.com](http://www.cdslindia.com).
- b) Click on New System Myeasi Tab
- c) Login with existing my easi username and password
- d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- e) Click on "Link InTime/ MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

**Shareholders who have not registered for CDSL Easi/ Easiest facility:**

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided username and password.

- d) After successful login, user able to see e-voting menu.
- e) Click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL**

- a) Visit URL: <https://www.cdsindia.com>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **Individual Shareholders holding securities in demat mode with Depository Participant**

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through "e-voting" option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) After successful authentication, click on "Link InTime / MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## **Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode**

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

- a) Visit URL: <https://instavote.linkintime.co.in>

## **Shareholders who have not registered for INSTAVOTE facility:**

- b) Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details:

### **A. User ID:**

NSDL demat account - User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account - User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form - User ID is Event No + Folio Number registered with the Company.

### **B. PAN:**

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

### **C. DOB/DOI:**

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

### **D. Bank Account Number:**

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

\*Shareholders holding shares in **NSDL** form, shall provide 'D' above

\*\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

❖ Set the password of your choice

(The password should contain minimum 8 characters, at least one special Character (!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

" Enter Image Verification (CAPTCHA) Code

" Click "Submit" (You have now registered on InstaVote).

### **Shareholders who have registered for INSTAVOTE facility:**

c) Click on **"Login"** under 'SHARE HOLDER' tab.

A. User ID: Enter your User ID

B. Password: Enter your Password

C. Enter Image Verification (CAPTCHA) Code

D. Click "Submit"

d) Cast your vote electronically:

A. After successful login, you will be able to see the "Notification for e-voting".

B. Select 'View' icon.

C. E-voting page will appear.

D. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

E. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

### **STEP 1 - Custodian / Corporate Body/ Mutual Fund Registration**

a) Visit URL: <https://instavote.linkintime.co.in>

b) Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).

e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

### **STEP 2 - Investor Mapping**

a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.

b) Click on "Investor Mapping" tab under the Menu Section

c) Map the Investor with the following details:

A. 'Investor ID' -

i. NSDL demat account - User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678

ii. CDSL demat account - User ID is 16 Digit Beneficiary ID.

B. 'Investor's Name' - Enter Investor's Name as updated with DP.

C. 'Investor PAN' - Enter your 10-digit PAN.

D. 'Power of Attorney' - Attach Board resolution or Power of Attorney.

\*File Name for the Board resolution/ Power of Attorney shall be - DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.

E. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

### STEP 3 - Voting through remote e-voting

The corporate shareholder can vote by two methods, during the remote e-voting period.

#### METHOD 1 - VOTES ENTRY

a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.

b) Click on **"Votes Entry"** tab under the Menu section.

c) Enter the **"Event No."** for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter **"16-digit Demat Account No."** for which you want to cast vote.

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

f) After selecting the desired option i.e. Favour / Against, click on 'Submit'.

A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

OR

#### METHOD 2 - VOTES UPLOAD

a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.

b) After successful login, you will be able to see the **"Notification for e-voting"**.

c) Select **"View"** icon for **"Company's Name / Event number"**.

d) E-voting page will appear.

e) Download sample vote file from **"Download Sample Vote File"** tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under **"Upload Vote File"** option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

#### Helpdesk:

#### Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at [enotices@in.mpms.mufig.com](mailto:enotices@in.mpms.mufig.com) or contact on: - Tel: 022 - 4918 6000.

**Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

| Login type                                                         | Helpdesk details                                                                                                                                                                                                            |
|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000                                       |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33. |

**Forgot Password:****Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:**

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID (Login ID) or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- ❖ Click on "**Login**" under 'SHARE HOLDER' tab.
- ❖ Click "**forgot password?**"
- ❖ Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- ❖ Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.

**User ID:**

NSDL demat account - User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account - User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form - User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID (Login ID) or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- ❖ Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- ❖ Click "forgot password?"
- ❖ Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- ❖ Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Individual Shareholders holding securities in demat mode have forgotten the USER ID (Login ID) or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

- ❖ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ❖ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ❖ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

**INSTAMEET VC INSTRUCTIONS FOR SHAREHOLDERS**

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before 30 September 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

*Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.*

Shareholders who would like to speak during the meeting must register by sending their request mentioning the name, demat account number / folio number and pan at shares@bannarimills.com from 16.7.2025 at 10.00 A.M. to 18.7.2025 at 5.00 P.M. with the company on the specific e-mail ID created for the General Meeting.

**Login method for shareholders to attend the General Meeting through InstaMeet:**

- a) Visit URL: <https://instameet.in.mpms.muvg.com> & click on "Login".
- b) Select the "Company" and 'Event Date' and register with your following details:

**A. Demat Account No. or Folio No:**

Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

Shareholders holding shares in physical form - shall provide Folio Number.

**B. PAN:**

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. Mobile No: Enter your Mobile No.

D. Email ID: Enter your email Id as recorded with your DP/ Company.

- c) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- a) Shareholders who would like to speak during the meeting must register their request with the company.
- b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
- c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

- d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

\*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### **Instructions for Shareholders to Vote during the General Meeting through InstaMeet:**

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
- c) Click on 'Submit'.
- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

### **Note:**

Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

### **Helpdesk:**

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at [instameet@in.mpms.mufl.com](mailto:instameet@in.mpms.mufl.com) or contact on: - Tel: 022 - 4918 6000 / 4918 6175.

**By order of the Board**

Coimbatore  
21<sup>st</sup> May, 2025

**S V ARUMUGAM**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN 00002458**

35<sup>th</sup>  
ANNUAL  
REPORT  
2025



**BANNARI AMMAN  
SPINNING MILLS LIMITED**

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(CIN : L17111TZ1989PLC002476)

**BOARD OF DIRECTORS**

|                            |                                |
|----------------------------|--------------------------------|
| Sri S V Arumugam           | - Chairman & Managing Director |
| Sri K Sadhasivam           | - Director                     |
| Smt S Sihamani             | - Director                     |
| Sri C Sivasamy             | - Director                     |
| Sri K P Ramakrishnan       | - Director                     |
| Smt Priya Bhansali         | - Director                     |
| Smt Sadhana Vidhya Shankar | - Director (w.e.f. 03.9.2024)  |
| Sri Tharanipathy Rajkumar  | - Director (w.e.f. 03.9.2024)  |
| Sri S K Sundararaman       | - Director (w.e.f. 03.9.2024)  |

**COMPANY SECRETARY**

Sri N Krishnaraj

**CHIEF FINANCIAL OFFICER**

Sri S Seshadri

**STATUTORY AUDITORS**

M/s. P.N. Raghavendra Rao & Co  
Chartered Accountants  
Coimbatore - 641 009

**INTERNAL AUDITORS**

M/s B M & Associates  
Chartered Accountants  
Coimbatore - 641 044

**SECRETARIAL AUDITOR**

R Dhanasekarn  
Company Secretary in Practice  
Coimbatore - 641 018

**COST AUDITOR**

Sri M Nagarajan  
Cost Auditor  
Coimbatore - 641 018

**REGISTERED OFFICE**

252, Mettupalayam Road, Coimbatore - 641 043 Tamilnadu  
Ph No : 0422 - 2435555 [www.bannarimills.com](http://www.bannarimills.com)  
CIN : L17111TZ1989PLC002476

**REGISTRAR AND SHARE  
TRANSFER AGENT**

MUFG Intime India Private Limited  
35, Surya Mayflower Avenue  
Behind Senthil Nagar  
Sowripalayam Road  
Coimbatore - 641 028  
Ph : 0422 - 2314792  
E-mail : [coimbatore@in.mpms.mufg.com](mailto:coimbatore@in.mpms.mufg.com)

**BANKERS**

The Karur Vysya Bank Limited  
Union Bank of India  
ICICI Bank Limited  
Punjab National Bank  
Indian Overseas Bank  
Bank of Maharashtra  
Indian Bank  
DCB Bank Ltd.



## DIRECTORS' REPORT

Dear Members,

Your Directors herewith present the 35<sup>th</sup> Annual Report together with Audited accounts of the Company for the year ended 31<sup>st</sup> March, 2025.

## FINANCIAL RESULTS:

(Rs. in Lakhs)

|                                                                 | 2024 - 25       | 2023 - 24        |
|-----------------------------------------------------------------|-----------------|------------------|
| Profit before Depreciation                                      | 2251.92         | 59.67            |
| Less: Depreciation                                              | 2522.47         | 2886.58          |
| Profit before Tax from Continuing Operations                    | (270.55)        | (2826.91)        |
| Less :Taxes                                                     | (152.77)        | (763.65)         |
| <b>Net Profit/(Loss) after Tax from continuing operations</b>   | <b>(117.78)</b> | <b>(2063.26)</b> |
| Profit (loss) from Discontinued Operations (Refer Note no 53)   | 4390.87         | (861.06)         |
| Less :Taxes of Discontinued Operations                          | 587.04          | (300.89)         |
| <b>Net Profit/(Loss) after Tax from Discontinued Operations</b> | <b>3803.83</b>  | <b>(560.17)</b>  |
| Profit for the period                                           | 3686.05         | (2623.43)        |
| Add: Other Comprehensive Income                                 | 13.38           | 42.30            |
| <b>Total Comprehensive Income</b>                               | <b>3699.43</b>  | <b>(2581.13)</b> |

## DIVIDEND

Your Directors have not recommended any dividend for the year 2024-25.

## REVIEW OF OPERATIONS

There has been a gradual improvement in the performance of the Company as can be seen from Net Profit/(loss) after Tax from continuing operations which stands @ (Rs.117.78 lakhs) as compared to (Rs.2063.26 lakhs) in the previous year. This can be attributed to improvement in operating efficiency coupled with better demand for Textile & Clothing products.

The Company has considered the assets of the Garment and Processing (R-44 site at SIPCOT, Perundurai) divisions as discontinued operations and classified as assets held for sale/discontinued operations. There is no change in the nature of business during the financial year and until the date of this report.

## Unit wise performance of the company :

### Spinning Units

During the year under review, the Spinning Units produced 21343.10 tonnes (21503.01 tonnes) and sold 17027.83 tonnes (19349.41 tonnes) of Yarn.

The sales include 135.99 tonnes (291.55 tonnes) by way of export. The total yarn sales amounted to Rs.49204.58 lakhs (Rs.52679.62 lakhs) of which export sales amounted to Rs.402.25 lakhs (Rs.817.63 lakhs). The reduction in export sales is due to weak overseas demand as well as unremunerative prices for cotton yarn during the year.



The Spinning Units produced 7736.36 tonnes (7966.21 tonnes) of saleable waste cotton and sold 8344.36 tonnes (6983.32 tonnes) and the total waste cotton sales of this division amounted to Rs.6799.44 lakhs (Rs.6491.27 lakhs).

### **Weaving Unit**

The Weaving Unit specializes in manufacturing wider-width cotton grey woven fabric. During the year under review, 130.18 lakh metres (127.40 lakh metres) of fabric were produced and 107.91 lakh metres (127.82 lakh metres) of fabric were sold.

The sales include 19.55 lakh metres (32.69 lakh metres) by way of export. The total fabric sales amounted to Rs.10425.73 lakhs (Rs.9130.54 lakhs) of which export sales amounted to Rs.1506.11 lakhs (Rs.2788.59 lakhs).

### **Home Textile Unit**

During the year under review, the Home Textile Unit produced 40.60 lakh pieces (25.22 lakh Pieces) of made ups and sold 34.91 lakh pieces (32.50 lakh pieces) and made fabric sales of 9.02 lakh metres (6.03 lakh metres)

The total sales of this unit amounted to Rs.5383.93 lakhs (Rs.4109.22 lakhs) which includes fabric sales amounting to Rs.1601.90 lakhs (Rs.434.82 lakhs).

### **Knitting Unit**

During the year under review, 2239.38 tonnes (4222.34 tonnes) of Knitted fabric were produced and 2085.65 tonnes (3723.52 tonnes) were sold. The total sales of this unit amounted to Rs.6110.89 lakhs (Rs.10835.28 lakhs) of which export sales amounted to Rs.496.13 lakhs (Rs.1595.58 lakhs).

### **Processing Unit**

During the year under review, 2225.45 tonnes (1918.31 tonnes) of fabric were processed on job work basis and 1184.56 tonnes (1075.91 tonnes) of fabric were produced and 1085.47 tonnes (1368.06 tonnes) of fabric were sold. The total fabric sales of this division amounted to Rs.5582.09 lakhs (Rs.5202.28 lakhs).

### **Wind Mills**

The company has 4 windmills of 1250 KW each totaling 5 MW in Radhapuram Taluk, Tirunelveli District, Tamilnadu, 23 windmills, each of 800 KW capacity totaling 18.40 MW capacity in Dharapuram Taluk, Tirupur District and Palani Taluk, Dindigul District, Tamilnadu. The total installed capacity of Windmills is 23.40 MW and the whole of the wind power generated is captively consumed by the Spinning Units and Weaving Unit.

The windmills produced 322.14 Lakh units of power as against 371.91 Lakh units produced in the last year.



## SALE OF SUBSIDIARY AND GARMENTS UNIT etc.

The Board of Directors of the Company at their meeting held on 4th December 2023 approved the MOU for sale of its entire shareholding In its Subsidiary Company, M/s Young Brand Apparel Private Limited (YBAPL) and for the sale of its Garment unit at Palladam and Land & Building at R-44 site in SIPCOT, Perundurai to M/s S P Apparels Limited. The transaction relating to sale of stake in M/s YBAPL has been completed in full in June'2024. In terms of Ind AS 105, the operations of the above units were treated as discontinued operations and accounted accordingly.

## PROSPECTS FOR THE FINANCIAL YEAR 2025 - 26

The textile and apparel industry is facing challenges with regard to pricing and hence there is stress on operational Profitability. The export demand is weak on account of factors caused by Geo political tensions. The domestic demand looks promising but pricing concerns remain. Overall the prospects for the current year depends on improvement in prices and the Company's focus on value added product mix is expected to achieve better performance.

## EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

There are no material changes and commitments affecting the Financial position of the Company, subsequent to the end of the Financial Year.

There are no proceedings pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of one-time settlement with any Bank or Financial Institution.

## PUBLIC DEPOSITS

The Company has no public deposits outstanding at the beginning of the year and, the Company has not accepted any deposits within the meaning of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

## SHARE CAPITAL

During the year, there is no change in Share Capital of the Company.

## PREFERENTIAL ISSUE

The Company, during the year has issued and allotted 42,25,806 Share Warrants aggregating to Rs.26.20 crores to Promoters and other Investors who have paid 25% of the issue size amounting to Rs.6.55 crores and the balance has to be subscribed within 18 months from the date of allotment.

## RIGHTS ISSUE

The Company has offered 1,50,79,504 Equity shares of Rs.5/- each on rights basis to the existing equity shareholders in the ratio of 10:43 shares at a price of Rs.27/- including a premium of Rs.22/- each. The issue opened on 13<sup>th</sup> May 2025 and closed on 26<sup>th</sup> May 2025. Assuming full subscription, the capital structure of our Company as on date of the Letter of Offer, prior to and after the proposed Issue, is set forth below:



(Rs. in Lakhs)

| S. No.   | Particulars                                                                                                                                                                                       | Aggregate nominal value | Aggregate value at Issue Price |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------|
| <b>A</b> | <b>Authorised Share Capital</b><br>15,00,00,000 Equity Shares of face value of Rs.5/- each                                                                                                        | 7,500.00                | NA                             |
| <b>B</b> | <b>Issued, Subscribed and fully Paid-Up Share Capital before this Issue</b><br>6,48,41,871 Equity Shares of face value of Rs.5/- each                                                             | 3,242.09                | NA                             |
| <b>C</b> | Money received towards allotment of 42,25,806 Equity Share Warrants, (face value of Rs.5/- each), being 25% of issue price of Rs.62/- per share warrant                                           | 52.82                   | 654.99                         |
| <b>D</b> | Present Rights Issue in terms of the Letter of Offer Up to 1,50,79,504 Equity Shares of Rs.5/- each, each at a premium of Rs.22/- per Equity Share, at an Issue Price of Rs.27/- per Equity share | 753.98                  | 4,071.47                       |
| <b>E</b> | Issued, Subscribed and Paid-Up Share Capital after the Issue<br>7,99,21,375 Equity Shares of face value of Rs.5/- each*                                                                           | 3,996.07                | NA                             |
| <b>F</b> | <b>Securities Premium Account*</b><br>Before the Issue:<br>After the issue:                                                                                                                       | 16,081.29<br>19,398.78  |                                |

\* Assuming full subscription to the issue.

## CORPORATE GOVERNANCE

In line with requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company is committed to the principles of good Corporate Governance and continues to adhere good corporate governance practices consistently.

A separate section is given as part of this Annual Report, on Corporate Governance, Management Discussion and Analysis along with a certificate from a Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## ANNUAL RETURN

Pursuant to the sub-section (3) of Section 92 of the Companies Act, 2013, Annual Return for Financial Year ended on 31st March, 2025, is posted on the website of the Company viz., [www.bannarimills.com](http://www.bannarimills.com)

## DIRECTORS

Sri S V Arumugam, Director, (DIN 00002458), who is longest in the Office, shall retire by rotation at the ensuing Annual General Meeting, he is eligible for re-appointment and seeks re-appointment.

Sri Tharanipathy Rajkumar and Smt Sadhana Vidhya Shankar were appointed as Additional Directors w.e.f 03.09.2024 and special Resolution was passed to confirm their appointment as Independent



Directors by the Shareholders through postal ballot on 04.10.2024 to comply with the requirement under regulation 17 (1) (c) of SEBI (LODR) Regulations, 2015.

Sri S K Sundararaman was appointed as Additional Director w.e.f 03.09.2024 and special Resolution was passed to confirm his appointment as Non Executive Director in Non Independent Director category by the Shareholders through postal ballot on 04.10.2024 to comply with the requirement under regulation 17 (1) (c) of SEBI (LODR) Regulations, 2015.

All independent Directors have given declarations that they have met the criteria of independence as laid down under section 149 (6) of the Companies Act, 2013 and Regulation 25(8) of SEBI (Listing Obligations and Disclosure requirements) Regulations 2015.

The company has obtained a Certificate from Sri R Dhanasekaran, Company Secretary in Practice certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

#### **KEY MANAGERIAL PERSONNEL**

The Company has appointed the following persons as Key Managerial Personnel:

| <b>Name of the persons</b> | <b>Designation</b>      |
|----------------------------|-------------------------|
| Sri S V Arumugam           | Managing Director       |
| Sri S Seshadri             | Chief Financial Officer |
| Sri N Krishnaraj           | Company Secretary       |

#### **AUDIT COMMITTEE**

The Audit Committee comprises of

1. Sri K P Ramakrishnan - Chairman (Non- Executive Independent Director)
2. Smt Priya Bhansali - Member (Non- Executive Independent Director)
3. Sri K Sadhasivam - Member (Non- Executive, Non-Independent Director) and
4. Smt Sadhana Vidhya Shankar - Member (Non- Executive Independent Director)

The Board has implemented the suggestions made by the Audit Committee from time to time.

#### **EVALUATION OF BOARD OF DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the evaluation of Independent Directors are done by the entire Board of Directors including performance and fulfilment of independence criteria specified in the regulation and their independence from the Management. Independent Directors at their meeting without participation, of non-Independent Directors and management considered and evaluated the Boards' performance, performance of the Chairman and Managing Director.

The Board has carried out an annual evaluation of performance of Board and of individual Directors as



well as the Committees of Directors. The evaluation has been conducted internally in the manner prescribed by Nomination and Remuneration Committee.

### **BOARD MEETINGS**

During the year under review, 7 (seven) Board Meetings were conducted. The details of the same have been given in the Corporate Governance Report under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forming part of this Report.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not furnished /extended any Corporate Guarantee during the year under review. Investments of the Company in the shares of other companies is provided under notes to Balance Sheet appearing in this Annual Report.

### **ESTABLISHMENT OF VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has established a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics. The policy has been posted in the website of the Company: [www.bannarimills.com](http://www.bannarimills.com).

### **POLICY ON NOMINATION AND REMUNERATION COMMITTEE**

The Board of Directors have framed a policy setting out the framework for payment of Remuneration to Directors, Key Managerial Personnel and Senior Management Personnel of the Company. The policy is explained as part of the Corporate Governance Report. The Committee ensures that

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c. Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

### **RELATED PARTY TRANSACTIONS**

All the related party transactions that were entered into during the financial year in the ordinary course of business and the prices were at arm's length basis. Hence, the provisions of Section 188 (1) of the Companies Act, 2013 are not attracted. Further no materially significant related party transactions were entered by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Approval of Audit Committee was obtained for transactions of repetitive nature on annual basis. All related party transactions are placed before the Audit Committee for approval and Board of Directors for their review. The policy on Related Party Transactions is available in the website [www.bannarimills.com](http://www.bannarimills.com).

Disclosure of these Transactions in form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 as set out below:



## Form AOC - 2

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis: Nil

The Company has borrowed Rs.12.00 Crores (Previous Year Rs.17.00 Crores) as Inter Corporate Deposits from Murugan Enterprise Private Limited, one of the Promoters and Holding Company of the Company. There were no transactions made with any person or entity belonging to promoter/promoter group which holds 10% or more shareholding in the Company.

### **SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS**

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status and the Company's operation in future.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

As stipulated in Section 134 (5) of the Companies Act, 2013 your Directors confirm that:

- a) Your Directors have followed in the preparation of the annual accounts, the applicable accounting standards with proper explanation relating to material departures;
- b) Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) Your Directors have prepared the annual accounts on a going concern basis;
- e) Your Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) Your Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **AUDITORS**

The present Auditors of the Company M/s P N Raghavendra Rao & Co., Chartered Accountants, (Firm Registration No: 003328S) Coimbatore, were appointed for a term of 5 years, pursuant to the resolution passed by the members at the Annual General Meeting held on 26th September, 2022 and hold Office upto the conclusion of the Annual General meeting to be held in the year 2027. The Company has



received a communication from them confirming their eligibility to continue as Auditors of the Company.

The Auditor's Report does not contain any qualifications, reservations or adverse remarks requiring any comment by the Board of Directors.

#### **DETAILS OF FRAUDS REPORTED BY AUDITORS**

There were no frauds reported by the Statutory Auditors under provisions of Section 143 (12) of the Companies Act, 2013 and rules made thereunder.

#### **SECRETARIAL AUDIT**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr R Dhanasekaran, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The report is annexed herewith as **Annexure - I.**

#### **COMPLIANCE OF SECRETARIAL STANDARDS**

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India from time to time.

#### **COST AUDITOR**

Pursuant to section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of Audit Committee, has appointed Sri M Nagarajan, Cost Accountant, Coimbatore as Cost Auditor to conduct Cost Audit of the Company for the financial year 2025 - 2026. The Company has maintained such accounts and cost records as required under Section 148 (1) of the Companies Act, 2013.

#### **JOINT VENTURE, ASSOCIATE AND SUBSIDIARIES**

The Company has one Subsidiary namely M/s Bannari Infotech Private Limited (formerly Bannari Amman Infinite Trendz Private Limited) as on 31.03.2025.

During the year under review, the following two Companies ceased to be Subsidiaries or Joint Venture of the Company, w.e.f. 5.6.2024.

- i. Young Brand Apparel Private Limited (also Joint Venture Company)
- ii. Young Brand Global Private Limited (subsidiary of Young Brand Apparel Private Limited)

In accordance with the Section 129 (3) of the Companies Act, 2013, the consolidated Financial Statements of the Company has been prepared which forms part of the Annual Report. A separate statement containing the salient features of the Financial Statements of Subsidiaries in Form AOC-1 (Part A) is **ANNEXURE - II.**



### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee and to the Chairman and Managing Director of the Company.

The Company has Independent Internal Auditor and an Internal Audit Department, which monitors and evaluates the efficiency and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of internal audit function, corrective actions are taken in the respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

### **STATEMENT ON RISK MANAGEMENT POLICY**

Pursuant to section 134(3)(n) of the Companies Act, 2013, the Committee has developed a Risk Management Policy and implemented the same. At present the Company has not identified any element of risk which may be of threat to the existence of the Company.

### **CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII, recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The company has fully spent the amount stipulated under the requirements of the Act. The Company has constituted Corporate Social Responsibility Committee consisting of the following Directors:

- |                         |   |                                                  |
|-------------------------|---|--------------------------------------------------|
| 1. Sri S V Arumugam     | - | Chairman - Managing Director                     |
| 2. Sri K P Ramakrishnan | - | Member - Independent Director                    |
| 3. Sri K Sadhasivam     | - | Member - Non-Executive, Non-Independent Director |

The CSR activities and its related particulars is enclosed as **Annexure III**

### **STATUTORY DISCLOSURES**

- I. Conservation of Energy and others- The particulars required to be included in terms of Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2025, relating to Conservation of Energy, etc., is enclosed as **Annexure IV**.
- II. Remuneration of Directors and other details- The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2025 is provided in **Annexure V**.



## HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year under review the human relations continued to be very cordial. The Company wishes to acknowledge the contribution of the employees at all levels of the Organisation.

The Company has an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee (ICC) has constituted to redress complaints of sexual harassment as provided therein. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

|                                                                                            |   |     |
|--------------------------------------------------------------------------------------------|---|-----|
| a. No. of complaints received                                                              | - | Nil |
| b. No. of complaints disposed off                                                          | - | Nil |
| c. No. of complaints pending as on end of financial year 2024 - 25                         | - | Nil |
| d. No. of complaints pending for more than 90 days during the financial year ended 2024-25 | - | Nil |

## ACKNOWLEDGEMENT

Your Directors acknowledge with gratitude the timely assistance and help extended by the Bankers for having provided the required bank facilities. Your Directors wish to place on record their appreciation of the contributions made by the employees at all levels of your company.

Coimbatore  
21<sup>st</sup> May, 2025

By Order of the Board  
**S V ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458



**ANNEXURE - I**  
**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**(FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2025)**

**(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)**

To

The Members  
Bannari Amman Spinning Mills Limited  
(CIN: L17111TZ1989PLC002476)  
252, Mettupalayam Road,  
Coimbatore - 641043.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bannari Amman Spinning Mills Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Bannari Amman Spinning Mills Limited ("the Company") for the financial year ended on 31st March 2025) ('Audit Period') according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder and applicable provisions of the Companies Act 1956;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company;
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the company during the Audit Period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit Period)



- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
- vi. The following other laws specifically applicable to the company:
- a. Textile Committee Act, 1963
  - b. Textiles (Development and Regulation) order, 2001
  - c. Textiles (Consumer Protection) Regulation, 1985

**I have also examined compliance with the applicable clauses of the following:**

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**I report that,** during the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc., mentioned above.

**I further report that,** based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit, and also on the review of periodical compliance reports by respective department heads / company secretary / CFO taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable financial / general laws like, direct and indirect tax laws, labour laws, and environmental laws.

**I further report that,** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. During the year under review, the company has appointed Independent directors and non-Independent Director, and the change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the provisions of the Act,

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I further report that,** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

**I further report that,** during the audit period:

The company has not taken any events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place : Coimbatore  
Date : 21.05.2025

**R Dhanasekaran**  
**Company Secretary in Practice**  
**FCS 7070 / CP 7745**  
**Peer Review No.: 811/2020**  
**ICSI UDIN : F007070G000372930**



**ANNEXURE - II**

**Form AOC-1**

**(Pursuant to first provision to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)**

**Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint Ventures**

**Part A Subsidiaries**

(Amount in Rs.)

| Name of the subsidiary                                                                                                        | Bannari Infotech Private Limited<br>(formerly Bannari Amman<br>Infinite Trendz Private Limited) |
|-------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1 The date since when subsidiary was acquired                                                                                 | 21.2.2019                                                                                       |
| 2 Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA                                                                                              |
| 3 Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA                                                                                              |
| 4 Share capital                                                                                                               | 1,00,000                                                                                        |
| 5 Reserves and surplus                                                                                                        | (7,75,47,642)                                                                                   |
| 6 Total assets                                                                                                                | 3,07,86,945                                                                                     |
| 7 Total Liabilities                                                                                                           | 10,82,34,587                                                                                    |
| 8 Investments                                                                                                                 | -                                                                                               |
| 9 Turnover                                                                                                                    | -                                                                                               |
| 10 Profit before taxation                                                                                                     | (1,17,95,879)                                                                                   |
| 11 Provision for taxation                                                                                                     | (30,61,099)                                                                                     |
| 12 Profit after taxation                                                                                                      | (87,34,781)                                                                                     |
| 13 Proposed Dividend                                                                                                          | -                                                                                               |
| 14 Extent of shareholding (in percentage)                                                                                     | 100%                                                                                            |

**Notes:**

- Subsidiaries which are yet to commence operations: Nil
- Subsidiaries/Joint Venture which have been sold during the year: Young Brand Apparel Private Limited and Young Brand Global Private Limited



### ANNEXURE III

#### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

(As per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. Brief outline on CSR Policy of the Company:

A Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Promoting Education and Rural development projects (vide Items 2 & 10 of Schedule VII)

- ❖ Actively participating in integrated rural community development
- ❖ Focus on adopting villages and holistic development of the same
- ❖ Education along with Health & Sanitation will be the prime concern areas
- ❖ Promote quality of services delivered be it basic education, basic health, early childhood care and education by supplementing the efforts of Government and suitably identifying the critical gaps and addressing it squarely.
- ❖ Continuously engaging with the community in terms of social development.
- ❖ Contributing to Prime Minister's National Relief Fund or any other Fund set up by the Central Government for development and relief approved by the CSR Committee and covered in the CSR Rules as amended from time to time.

2. Composition of CSR Committee:

| S.No | Name of the Director | Designation / Nature of Directorship       | Number of meetings of CSR Committee held during the year | Number of Meetings of CSR Committee attended during the year |
|------|----------------------|--------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1.   | Sri S V Arumugam     | Chairman & Managing Director               | 2                                                        | 2                                                            |
| 2.   | Sri S Palaniswami    | Independent Director                       | 2                                                        | 2                                                            |
| 3.   | Sri K Sadhasivam     | Non-Executive,<br>Non-Independent Director | 2                                                        | 2                                                            |

3. Provide the weblink(s) where Composition of CSR committee, CSR policy and CSR projects approved by the board are disclosed on the website of the company:

CSR Policy :

<https://www.bannarimills.com/wp-content/uploads/2024/10/Corporate-Social-Responsibility.pdf>

CSR Committee :

<https://www.bannarimills.com/wp-content/uploads/2024/10/Committees-of-Board-of-Directors-1.pdf>

CSR Projects :

<https://www.bannarimills.com/csr/>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. Not Applicable



|    |                                                                                                        |     |   |
|----|--------------------------------------------------------------------------------------------------------|-----|---|
| 5. | a) Average net profit of the company as per section 135(5)                                             | Rs. | - |
|    | b) Two percent of average net profit of the company as per section 135(5)                              | Rs. | - |
|    | c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years |     | - |
|    | d) Amount required to be set off for the financial year, if any                                        | Rs. | - |
|    | e) Total CSR obligation for the financial year (b + c - d).                                            | Rs. | 0 |

|    |                                                                |              |
|----|----------------------------------------------------------------|--------------|
| 6. | a) Amount spent on CSR Projects:                               |              |
|    | i) On going Project                                            | Nil          |
|    | ii) Other than On going Project                                | Rs. 1,20,000 |
|    | b) Amount spent in Administrative Overheads.                   | Nil          |
|    | c) Amount spent on Impact Assessment, if applicable.           | Nil          |
|    | d) Total amount spent for the Financial Year [ (a)+(b)+ (c) ]. | Rs. 1,20,000 |

**(e) CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the Financial Year.<br>(in Rs.) | Amount Unspent (in Rs.)                                                |                  |                                                                                                      |        |                  |
|--------------------------------------------------------|------------------------------------------------------------------------|------------------|------------------------------------------------------------------------------------------------------|--------|------------------|
|                                                        | Total Amount transferred to Unspent CSR Account as per section 135(6). |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). |        |                  |
|                                                        | Amount                                                                 | Date of transfer | Name of the Fund                                                                                     | Amount | Date of transfer |
| -                                                      | Nil                                                                    | -                | -                                                                                                    | Nil    | -                |



## (f) Excess amount for set off, if any

| Sl. No. | Particular                                                                                                  | Amount (in Rs.)                                              |
|---------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| i)      | Two percent of average net profit of the company as per section 135(5)                                      | -                                                            |
| ii)     | Total amount spent for the Financial Year                                                                   | 1,20,000/-                                                   |
| iii)    | Excess amount spent for the financial year ((ii)-(i))                                                       | 1,20,000/-                                                   |
| iv)     | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | Nil                                                          |
| v)      | Amount available for set off in succeeding financial years ((iii)-(iv))                                     | 1,20,000 (2024-25)<br>78,574 (2023-24)<br>1,14,913 (2022-23) |

7. Details of Unspent CSR amount for the preceding three financial years: Nil
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No (If Yes, enter the number of Capital assets created / acquired) Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: NIL
9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5). - Fully Spent.

Coimbatore  
21<sup>st</sup> May, 2025

**S V ARUMUGAM**  
Chairman & Managing Director  
and Chairman of the CSR Committee



**ANNEXURE IV**

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,  
FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information under section 134(3)(m) of the Companies Act, 2013 read with rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended 31st March, 2025 is given here below, and forms part of the Director's Report.

**A. CONSERVATION OF ENERGY**

- i) The steps taken or impact on conversation of energy;

Various measures have been implemented based on the recommendations of the external agency engaged to undertake study and suggest measures for conservation of energy in the Spinning divisions. The investments are planned in a phased manner. As a result of the measures taken, the Spinning units have saved about 3320 units of power per day. Further steps will be taken to conserve energy.

- ii) The steps taken by the company for utilising alternate source of energy;

During the year under review the company utilized wind power of 322.14 Lakh units by way of captive consumption. The Company has also invested in Solar Power Generating Company for supply Power to the Company's manufacturing units and during the year 165.10 lakh units of solar power generated from the facility has been consumed by the Company thereby contributing to green energy empowerment. Apart from this, the Company is purchasing solar and wind power from private players and during the year 96.83 lakh units of such power has been purchased and consumed and hence reducing dependence on fossil fuel.

- iii) The capital investment on energy conversation equipments; - Nil

**B. TECHNOLOGY ABSORPTION**

1. The efforts made towards technology absorption; - Nil
2. The benefits derived like product improvement, cost reduction, product development or import substitution; - Nil
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year); - Nil
4. The expenditure incurred on Research and Development; - Nil

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review foreign exchange earnings were Rs.6,586.86 Lakhs (Rs.7804.19 Lakhs). Foreign exchange outgo was Rs.4302.98 Lakhs (Rs.143.66 Lakhs).

By Order of the Board

**S V ARUMUGAM**

**Chairman & Managing Director**

**DIN 00002458**

Coimbatore  
21<sup>st</sup> May, 2025



## ANNEXURE V

## Disclosure in the Board's Report

Particulars of Remuneration of Directors and Employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

- i) The Ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial year 2024 - 25.

| Director's Name                     | Ratio   |
|-------------------------------------|---------|
| Sri S V Arumugam, Managing Director | 21.06:1 |

- ii) The Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager if any in the Financial year 2024 - 25 compared to 2023 - 24.

| Director's Name/CS/CFO                  | % increase in remuneration |
|-----------------------------------------|----------------------------|
| Sri S V Arumugam, Managing Director     | Nil                        |
| Sri N Krishnaraj, Company Secretary     | 4.97                       |
| Sri S Seshadri, Chief Financial Officer | 4.85                       |

In respect of other Directors, the Company is paying only sitting fees. Hence, not considered for the above purposes.

- iii) Percentage increase in the median remuneration of employees in the Financial year 2024-25 4.40
- iv) Number of permanent employees on the rolls of the Company 3169
- v) Average percentile increase already made in the salaries of Employees other than Managerial Personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstance for increase in the managerial remuneration.

The average percentile increase granted to employees other than managerial personnel is (2.09%). The percentile increase granted to managerial personnel is 2.13%.

Since the managerial persons are being paid commission linked to company's profitability in terms of the resolutions passed by the shareholders of the Company under the provision of the Companies Act, 2013 it can't be compared with the percentile increase in Salaries of Employees.

The Board of Directors of the Company affirm that the remuneration paid to Directors, Key Managerial Personnel and employees is as per the remuneration policy approved by the Board of Directors of the Company.



(vi) Particulars of Employees as per Rule 5(2) and Rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Table 1 : Particulars of Top Ten Employees in terms of remuneration drawn under Rule 5(2):

| Name<br>(Age in years)           | Designation             | Gross<br>Remuneration<br>paid (in Rs.)* | Qualification         | Date of<br>Commencement<br>of employment<br>(experience<br>in years) | Previous<br>Employment                |
|----------------------------------|-------------------------|-----------------------------------------|-----------------------|----------------------------------------------------------------------|---------------------------------------|
| Sri S V Arumugam (76)            | Managing Director       | 60,00,000                               | B.Sc., ACA            | 16.5.1993 (40)                                                       | Shiva Texyarn Limited                 |
| Sri M Sivabala Subramaniyan (64) | President               | 30,00,000                               | B.,Tech., MBA         | 16.11.2023(42)                                                       | HGCL                                  |
| Sri J Annaraj (66)               | GM - Weaving            | 24,73,976                               | DTT                   | 30.3.2005 (38)                                                       | Loyal Textile Mills Limited           |
| Sri S Seshadri (63)              | Chief Financial Officer | 24,30,413                               | B.Sc, ACA             | 1.4.2018 (34)                                                        | Shiva Texyarn Limited                 |
| Sri S Shankarkumar (58)          | VP Marketing            | 24,25,104                               | B.Tech., MBA          | 1.11.2013 (36)                                                       | Shiva Texyarn Limited                 |
| Sri N Krishnaraj (59)            | Company Secretary       | 23,75,517                               | B.Com., ACS           | 3.8.2007 (37)                                                        | Bannari Amman Sugars Limited          |
| Sri A Ganapathy (60)             | GM Business Development | 21,83,427                               | B.Tech M.B.A          | 15.2.2017 (35)                                                       | Rohini Textile Industry Pvt Limited   |
| Sri Shekhar Chandra Yadav (47)   | Head Marketing          | 21,00,065                               | B.Com; PG Dip. (NIFT) | 1.02.2015 (21)                                                       | Asmara Apparels, Tirpur               |
| Sri S Sengottaiyan (72)          | DGM Accounts            | 17,17,569                               | BA                    | 01.8.2022 (40)                                                       | Shiva Texyarn Limited                 |
| Sri R Raveeswaran (51)           | AGM Production          | 16,50,407                               | M.Sc., Chemistry      | 01.6.2020 (22)                                                       | Priyadharshini Spinning Mills Limited |

**Table 2 : The statement of employee(s) specified under Rule 5(2) (i), (ii), and (iii):**

|                                    |                                                                        |
|------------------------------------|------------------------------------------------------------------------|
| Name                               | : S V Arumugam                                                         |
| Age                                | : 76                                                                   |
| Designation                        | : Managing Director                                                    |
| Nature of Duties                   | : Managing the day to day affairs of the Company                       |
| Remuneration (Rs. in lakhs)        | : Rs. 60.00 lakhs                                                      |
| Qualification & Experience (years) | : B.Sc., ACA and nearly four decades of experience in Textile Industry |
| Date of commencement of employment | : 27.5.2005                                                            |
| Last employment                    | : Shiva Texyarn Limited                                                |

None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

By Order of the Board

**S V ARUMUGAM**

**Chairman and Managing Director**

**DIN 00002458**

Coimbatore  
21<sup>st</sup> May, 2025



## REPORT ON CORPORATE GOVERNANCE

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on corporate governance envisages the attainment of high levels of transparency, accountability, fairness and equity in all facets of its operations, procedures, reporting system and in all the interactions with its stakeholders.

Bannari Amman Spinning Mills Limited has adopted a Code of Conduct which lays down standards of values, ethics and business principles of management.

### BOARD OF DIRECTORS

The Board comprises of 9 Directors viz., 1 Executive Director 2 Non-Executive and Non-Independent Directors and 6 Non-Executive Independent Directors including 3 Woman Directors.

| S. No. | Name of the Director        | Category                              | Number of Directorships held in other Companies* | Number of Board Committee Membership held in other Companies** |        |
|--------|-----------------------------|---------------------------------------|--------------------------------------------------|----------------------------------------------------------------|--------|
|        |                             |                                       |                                                  | Chairman                                                       | Member |
| 1.     | Sri S V Arumugam            | Executive - Promoter                  | -                                                | -                                                              | 1      |
| 2.     | Sri S Palaniswami***        | Non - Executive - Independent         | -                                                | -                                                              | -      |
| 3.     | Dr K R Thillainathan***     | Non - Executive - Independent         | -                                                | -                                                              | -      |
| 4.     | Sri Tharanipathy Rajkumar#  | Non - Executive - Independent         | -                                                | -                                                              | -      |
| 5.     | Sri S K Sundararaman#       | Non - Executive,<br>Non - Independent | 4                                                | 3                                                              | 7      |
| 6.     | Sri K P Ramakrishnan\$      | Non - Executive - Independent         | 1                                                | 1                                                              | 3      |
| 7.     | Smt Priya Bhansali\$        | Non - Executive - Independent         | 4                                                | 1                                                              | 6      |
| 8.     | Smt Sadhana Vidhya Shankar# | Non - Executive - Independent         | 1                                                | -                                                              | -      |
| 9.     | Sri K Sadhasivam%           | Non - Executive,<br>Non - Independent | -                                                | -                                                              | -      |
| 10.    | Sri C Sivasamy              | Non - Executive - Independent         | 1                                                | -                                                              | 2      |
| 11.    | Smt S Sihamani              | Non - Executive - Independent         | -                                                | -                                                              | -      |



\* Excluding private companies which are not subsidiary of public limited companies.

\*\* Only Committees formed under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are considered.

\*\*\* Sri S Palaniswami and Dr K R Thillainathan ceased to be Directors w.e.f 25.8.2024.

% Sri K Sadhasivam ceased to be an Independent Director and appointed as a Non-Executive, Non-Independent Director w.e.f 22.8.2024.

# Sri K Sundararaman was appointed as an additional Director in the capacity of Non-Executive and Non-Independent Director w.e.f 3.9.2024 and subsequently approved by the shareholders in the Postal Ballot Resolution on 4.10.2024.

# Sri Tharanipathy Rajkumar and Smt Sadhana Vidhya Shankar were appointed as additional Directors in the capacity of Independent Directors w.e.f 3.9.2024 and subsequently approved by the shareholders in the Postal Ballot Resolution on 4.10.2024.

\$ Sri K P Ramakrishnan and Smt Priya Bhansali were appointed as additional Directors in the capacity of Independent Directors w.e.f 29.5.2024 and subsequently approved by the shareholders meeting on held on 22.8.2024.

The name of the listed entities where the person is a Director and the category of Directorship as per Schedule V Part C of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

| S.No | Name of the Directors     | Name of the Listed Entities holding Directorships | Category of Directorships               | No. of shares held |
|------|---------------------------|---------------------------------------------------|-----------------------------------------|--------------------|
| 1.   | Sri S V Arumugam          | Bannari Amman Spinning Mills Limited              | Chairman & Managing Director            | 688869             |
| 2.   | Sri S Palaniswami*        | Bannari Amman Spinning Mills Limited              | Independent Director                    | 769                |
|      |                           | Shiva Mills Limited                               | Independent Director                    | -                  |
| 3.   | Dr K R Thillainathan*     | Bannari Amman Spinning Mills Limited              | Independent Director                    | -                  |
| 4.   | Sri Tharanipathy Rajkumar | Bannari Amman Spinning Mills Limited              | Independent Director                    | -                  |
| 5.   | Sri S K Sundararaman      | Bannari Amman Spinning Mills Limited              | Non-Executive, Non-Independent Director |                    |
|      |                           | Shanthi Gears Limited                             | Independent Director                    |                    |
|      |                           | Shiva Mills Limited                               | Non-Executive, Non-Independent Director |                    |



| S.No | Name of the Directors      | Name of the Listed Entities holding Directorships | Category of Directorships              | No. of shares held |
|------|----------------------------|---------------------------------------------------|----------------------------------------|--------------------|
|      |                            | Pricol Limited                                    | Independent Director                   |                    |
|      |                            | Shiva Texyarn Limited                             | Managing Director                      |                    |
| 6.   | Sri K P Ramakrishnan       | Bannari Amman Spinning Mills Limited              | Independent Director                   |                    |
|      |                            | Sakthi Finance Limited                            | Independent Director                   |                    |
| 7.   | Smt Priya Bhansali         | Bannari Amman Spinning Mills Limited              | Independent Director                   |                    |
|      |                            | Salzer Electronics Limited                        | Independent Director                   |                    |
|      |                            | Sakthi Finance Limited                            | Independent Director                   |                    |
|      |                            | Kaycee Industries Limited                         | Independent Director                   |                    |
|      |                            | Sakthi Sugars Limited                             | Independent Director                   |                    |
| 8.   | Smt Sadhana Vidhya Shankar | Bannari Amman Spinning Mills Limited              | Independent Director                   |                    |
|      |                            | L G Balakrishnan & Bros Limited                   | Independent Director                   |                    |
| 9.   | Smt S Sihamani             | Bannari Amman Spinning Mills Limited              | Independent Director                   |                    |
| 10.  | Sri K Sadhasivam           | Bannari Amman Spinning Mills Limited              | Non-Executive Non-Independent Director | -                  |
| 11.  | Sri C Sivasamy             | Bannari Amman Spinning Mills Limited              | Independent Director                   | -                  |
|      |                            | Shiva Mills Limited                               | Independent Director                   | -                  |

\* Sri S Palaniswami and Dr K R Thillainathan ceased to be Directors w.e.f 25.8.2024.



The non-Executive Independent Directors fulfill the conditions laid down for appointment/ re-appointment as Independent Directors as specified in Section 149 of the Companies Act, 2013 and rules made thereunder and Regulation 25 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A formal letter of appointment/re-appointment has been issued and a copy of the same is posted on the website of the Company viz. [www.bannarimills.com](http://www.bannarimills.com).

### BOARD MEETINGS AND ANNUAL GENERAL MEETING

During the financial year, 7 Board Meetings were convened by giving due notices to the Directors. The meetings were held on 29.5.2024, 14.8.2024, 3.9.2024, 4.11.2024, 14.11.2024, 21.12.2024, 14.2.2025. The interval between the two meetings were well within the maximum period prescribed under the Companies Act, 2013 and Regulation 17 (2) of the SEBI (LODR) Regulations, 2015.

The Board is given all the material information which are incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meetings.

Details of attendance of each Director at the Board Meetings and at the last Annual General Meeting (held on 22.8.2024) are furnished here below:

| NAME OF THE DIRECTOR                         | NUMBER OF BOARD MEETINGS ATTENDED | LAST AGM ATTENDED YES / NO |
|----------------------------------------------|-----------------------------------|----------------------------|
| 1. Sri S V Arumugam (DIN 00002458)           | 7                                 | Yes                        |
| 2. Dr K R Thillainathan* (DIN 00009400)      | 2                                 | Yes                        |
| 3. Sri S Palaniswami* (DIN 00007901)         | 1                                 | Yes                        |
| 4. Sri Tharanipathy Rajkumar (DIN 00048665)  | 4                                 | No                         |
| 5. Sri S K Sundararaman (DIN 00002691)       | 1                                 | No                         |
| 6. Sri K P Ramakrishnan (DIN 07029959)       | 7                                 | No                         |
| 7. Smt Priya Bhansali (DIN 00195848)         | 6                                 | No                         |
| 8. Smt Sadhana Vidhya Shankar (DIN 10753375) | 4                                 | No                         |
| 9. Smt S Sihamani (DIN 06945399)             | 7                                 | Yes                        |
| 10. Sri K Sadhasivam (DIN 00610037)          | 7                                 | Yes                        |
| 11. Sri C Sivasamy (DIN 00002921)            | 7                                 | Yes                        |

\* Sri S Palaniswami and Dr K R Thillainathan ceased to be Directors w.e.f 25.8.2024.

**FAMILIARISATION PROGRAMME**

At the time of appointment of Director, a formal letter of appointment is issued, which sets out roles, functions, duties and responsibilities expected from them. The Directors have also been explained the relevant regulations. The appointments are also provided with necessary information to understand the Company's operations, products and events relating to the Company. Web Link: <https://www.bannarimills.com/wp-content/uploads/2024/10/Familiarisation-Programe-For-Independent-Directors.pdf>

**CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS**

| Board of Directors*       | Age | Date of appointment | Qualification | Skills                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|---------------------------|-----|---------------------|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Sri S V Arumugam          | 76  | 27.6.2005           | B.Sc., ACA    | He is the Promoter of the company, holds a bachelor's degree in science from University of Madras and also an associate member of the Institute of Chartered Accountants of India. He has overall 4 decades of industry experience and over 3 (three) decades of experience in the textile industry, focusing on planning, procurement, execution, and management. He served as the Vice Chairman of the Indian Wind Power Association, Chennai, and has previously held the position of Chairman of the Confederation of Indian Textile Industry (CITI) and the Southern India Mills Association (SIMA). He is also a past committee member of the Indian Cotton Mills Federation (ICMF) and he was an independent director in State Industries Promotion Corporation of Tamil Nadu Limited (SIPCOT). |
| Sri Tharanipathy Rajkumar | 58  |                     | MBA.,         | He is an Independent Director, holds a master's degree in business administration and has been associated with the textile industry                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |



## CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS (Contd...)

| Board of Directors   | Age | Date of appointment | Qualification               | Skills                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------|-----|---------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                      |     |                     |                             | for over 2 (two) decades as an entrepreneur. He has also been involved with various textile industry bodies like SIMA and CITI. He previously served as the Chairman of CITI, SIMA and SIMA CDRA.                                                                                                                                                                                                                    |
| Sri S K Sundararaman | 51  |                     | MBBS, MBA                   | He is a Non-Executive, Non-Independent Director, possesses an MBBS Degree and a master's in business management from Cambridge University, U.K. With more than 2 decades of years of experience in textiles and business management, he specializes in technical textiles. He was the former Chairman of the Indian Technical Textile Association (ITTA) until September 2021 and is currently the Chairman of SIMA. |
| Sri K P Ramakrishnan | 70  |                     | B.Tech                      | He is an Independent Director, holds a B. Tech degree in Metallurgy and has nearly 4 (four) decades of experience in the banking sector, serving in various capacities including Chief Risk Officer at IDBI.                                                                                                                                                                                                         |
| Smt Priya Bhansali   | 59  |                     | B.Com, Chartered Accountant | She is an Independent Director, holds a bachelor's degree in commerce and she is a fellow member of the Institute of Chartered Accountants of India with over 3(three) decades of                                                                                                                                                                                                                                    |



**CHART SETTING OUT THE SKILLS OF THE BOARD OF DIRECTORS (Contd...)**

| Board of Directors         | Age | Date of appointment | Qualification | Skills                                                                                                                                                                                                                        |
|----------------------------|-----|---------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                            |     |                     |               | experience. She is a Managing partner at M/s. Kumbhat & Co. LLP, specializing in direct taxes, management assurance audit, joint ventures, FDI, and international taxation.                                                   |
| Smt Sadhana Vidhya Shankar | 52  |                     | B.A.B.L.,     | She is an Independent Director, is a corporate civil lawyer having over 3(three) decades of experience at the Bar, specializing in trial work, arbitration, commercial litigation, property due diligence, and documentation. |
| Sri K Sadhasivam           | 78  | 22.8.2006           | B.Sc.,        | He is a Non-Executive, Non-Independent Director, holds a bachelor's degree in science from the University of Madras and brings with him an extensive experience of over 5 (five) decades in the transport business.           |
| Sri C Sivasamy             | 68  | 28.6.2023           | B.Sc.,        | He is an Independent Director, boasts over 4 (four) decades of experience in automobiles and general administration.                                                                                                          |
| Smt S Sihamani             | 71  | 28.9.2015           | B.A.          | She is an Independent Director has been engaged in social welfare activities for nearly 2 (two) decades and has been associated with the company since 2014.                                                                  |

\* Sri S Palaniswami and Dr K R Thillainathan ceased to be Directors w.e.f 25.8.2024.



## CODE OF CONDUCT

The Company has adopted the code of conduct for all Board Members and Senior Management as required under Regulation 17 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The code is posted on the company's website at [www.bannarimills.com](http://www.bannarimills.com). All Board Members and Senior Management personnel have affirmed compliance with the code on an annual basis and a declaration to this effect signed by the Managing Director is attached to this report.

## AUDIT COMMITTEE

The Audit Committee comprises of :

| Sl. No. | Name                       | Position                                  | No. of Meeting Attended |
|---------|----------------------------|-------------------------------------------|-------------------------|
| 1.      | Sri S Palaniswami*         | Chairman - Independent                    | 1                       |
| 2.      | Sri K R Thillainathan*     | Member - Independent                      | 2                       |
| 3.      | Sri K Sadhasivam**         | Member - Non-Executive, Non - Independent | 4                       |
| 4.      | Sri K P Ramakrishnan       | Chairman - Independent                    | 3                       |
| 5.      | Smt Priya Bhansali         | Member - Independent                      | 3                       |
| 6.      | Smt Sadhana Vidhya Shankar | Member - Independent                      | 2                       |

\* Sri S Palaniswami and Dr K R Thillainathan ceased to be Directors w.e.f 25.8.2024.

\*\*Sri K Sadhasivam ceased to be an Independent Director and appointed as a Non-Executive, Non-Independent Director w.e.f 22.8.2024.

The committee was reconstituted w.e.f 14.8.2024.

Sri K P Ramakrishnan was appointed as Audit Committee Chairman and Smt Priya Bhansali was appointed as Audit Committee member w.e.f 14.8.2024.

Smt Sadhana Vidhya Shankar was included as a member of Audit Committee w.e.f 14.11.2024.

During the financial year, the Audit Committee met 4 times on 29.5.2024, 14.8.2024, 14.11.2024 and 14.2.2025. The Audit Committee Chairman was present at the last AGM.

The terms of reference of the Audit Committee are as set out in Regulation 18 (3) read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which inter-alia includes the following:

- Review of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;



- c) Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors;
- d) Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
  - I. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - II. Changes, if any, in accounting policies and practices and reasons for the same;
  - III. Major accounting entries involving estimates based on the exercise of judgement by management;
  - IV. Significant adjustments made in the financial statements arising out of audit findings;
  - V. Compliance with listing and other legal requirements relating to financial statements;
  - VI. Disclosure of any related party transactions; and
  - VII. Modified opinions in the draft audit report.
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Review and monitor the Auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n) Discussion with Internal Auditors of any significant findings and follow up thereon;
- o) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;



- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the Whistle Blower mechanism;
- s) Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- u) To Review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision.
- v) The Audit Committee shall mandatorily review the following information:
  - 1) Management discussion and analysis of financial condition and results of operations;
  - 2) Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - 3) Internal audit reports relating to internal control weaknesses; and
  - 4) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  - 5) Statement of deviations:
    - i. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - ii. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

## **NOMINATION AND REMUNERATION COMMITTEE**

The Committee consists of 3 Directors, all of whom are independent:

| Sl. No. | Name                  | Position                                  | No. of Meeting Attended |
|---------|-----------------------|-------------------------------------------|-------------------------|
| 1.      | Sri S Palaniswami*    | Chairman - Independent                    | 2                       |
| 2.      | Sri K Sadhasivam**    | Member - Non-Executive, Non - Independent | 9                       |
| 3.      | Dr K R Thillainathan* | Member - Independent                      | 3                       |
| 4.      | Smt Priya Bhansali    | Chairman - Independent                    | 6                       |
| 5.      | Sri K P Ramakrishnan  | Member - Independent                      | 6                       |

\* Sri S Palaniswami and Dr K R Thillainathan ceased to be Directors w.e.f 25.8.2024.



\*\*Sri K Sadhasivam ceased to be an Independent Director and appointed as a Non-Executive, Non-Independent Director w.e.f 22.8.2024.

The committee was reconstituted w.e.f 14.8.2024.

Smt Priya Bhansali was appointed as Nomination and Remuneration Committee Chairman and Sri K P Ramakrishnan was appointed as Nomination and Remuneration Committee member w.e.f 14.8.2024.

The NRC Chairman was present at the last Annual General Meeting.

The terms of reference specified by Board of Directors to the Nomination and Remuneration Committee are as under:

- a) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- b) For appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates
- c) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- d) Devising a policy on diversity of board of directors;
- e) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- f) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- g) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

### **Remuneration Policy**

The Nomination and Remuneration Committee has adopted a charter which, inter alia, deals with the manner of selection of Board of Directors/Key Managerial Personnel/Senior Managerial Personnel. The policy is accordingly derived from the said Charter. The policy on remuneration is available in the following weblink: [www.bannarimills.com](http://www.bannarimills.com)



### Evaluation criteria

The Nomination and Remuneration Committee has formulated the methodology and criteria to evaluate the performance of the Board and each Director. The evaluation of the performance of the Board and its committees are evaluated through a questionnaire circulated to all directors and based upon the response to the questionnaire, the directors do a self-evaluation of their performance. Accordingly, Board reviewed the performance of each of the directors and expressed their satisfaction.

The performance evaluation of the Chairman and the Managing Director was carried out separately by the Independent Directors. The Independent Directors expressed their satisfaction on the performance of the Chairman and the Managing Director.

### Remuneration to Managing Director is as follows:

| Name             | Designation       | Remuneration for the year<br>(Break up) (Rs. Lakhs) |
|------------------|-------------------|-----------------------------------------------------|
| Sri S V Arumugam | Managing Director | 60.00                                               |

### Remuneration paid to Director:

Remuneration in the form of sitting fees paid to all non-executive Directors of Rs.10,000/-, has been revised w.e.f 14.8.2024 to Rs.25,000/- for the meeting attended by them, as recommended by Nomination and Remuneration Committee and approved at the Board Meeting held on 14.8.2024 for each Board Meeting and Audit Committee Meeting attended by them.

### Meeting of Independent Directors

During the year under review the Independent Directors met on 14.2.2025 for the following purposes:

- ❖ Evaluation of performance of non- Independent Directors and the Board as a whole
- ❖ Evaluation of performance of the Chairman and Managing Director of the Company
- ❖ Evaluation of quality and flow of information to the Board

All the Independent Directors were present at the meeting.

The evaluation is done based on the criteria laid down in the Nomination and Remuneration Policy of the company, with specific reference to:

- leadership abilities
- contribution to clearly defined corporate objectives and plans
- review of achievement of strategic and operational plans, objectives, budgets
- regular monitoring of corporate results against projections
- identify, monitor and mitigate significant corporate risks



- assess policies, structures and procedures
- direct, monitor and evaluate KMPs, SMPs
- review management's succession plan
- clearly defining roles and monitoring activities of committees
- Review of corporate's ethical conduct

In the opinion of the board, all the independent directors are independent of the management and they fulfill the conditions specified in Schedule V under Reg.34 of the SEBI LODR.

### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted Corporate Social Responsibility Committee which shall recommend to the Board, the activities to be undertaken by the Company as specified in Schedule VII, of the Companies Act, 2013 recommend the amount of expenditure to be incurred on such activities and monitor the CSR policy of the Company. The company has fully spent the amount stipulated under the requirements of the Act. Corporate Social Responsibility Committee consisting of the following Directors with effect from 21.5.2014.

- |                           |   |                                         |
|---------------------------|---|-----------------------------------------|
| 1. Sri S V Arumugam       | - | Managing Director                       |
| 2. Sri S Palaniswami*     | - | Independent Director                    |
| 3. Sri K Sadhasivam**     | - | Non-Executive, Non-Independent Director |
| 4. Sri K P Ramakrishnan\$ | - | Independent Director                    |

\* Sri S Palaniswami ceased to be a Director w.e.f 25.8.2024

\*\* Sri K Sadhasivam ceased to be an Independent Director and appointed as a Non-Executive, Non-Independent Director w.e.f 22.8.2024.

The committee was reconstituted w.e.f 14.8.2024.

\$ Sri K P Ramakrishnan was appointed as Corporate Social Responsibility committee member w.e.f 14.8.2024.

### MATERIAL SUBSIDIARIES

Name of the material subsidiary: The Company has transferred its entire investment in the subsidiary and Joint Venture Company viz., Young Brand Apparel Private Limited (A Material Subsidiary) to S.P. Apparels Limited by executing Memorandum of Understanding and Share Purchase Agreement w.e.f 21.6.2024 and ceased to be the holding company of Young Brand Apparel Private Limited.

### RELATED PARTY TRANSACTIONS

The company has adopted policy on dealing with Related parties. The same is disclosed in the website of the company and is available in the following weblink: <https://www.bannarimills.com/wp-content/uploads/2024/10/Policy-On-Materiality-Of-Rpt-And-On-Dealing-With-Rpt.pdf>


**Loans and advances in the nature of loans to firms/companies in which directors are interested :**

(Rs. in Lakhs)

| Name of the Company                                                                          | Nature of Loan          | Amount |
|----------------------------------------------------------------------------------------------|-------------------------|--------|
| Bannari Infotech Private Limited<br>(Formerly Bannari Amman Infinite Trendz Private Limited) | Inter Corporate Deposit | 550.00 |

**RISK MANAGEMENT COMMITTEE**

Requirement for constitution of Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 is not applicable to the Company.

The Company has adopted Policy on Foreign Exchange Risk Management on 30.5.2023

Disclosures regarding commodity price risk and hedging activities pursuant to Regulation 34(3) read with clause 9(n) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Exposure to commodity risks faced by the company throughout the year

Total exposure of the Company to commodities in INR : NIL

Exposure of the company to various commodities : NIL

| Commodity name | Exposure in INR towards the particular commodity | Exposure in quantity terms towards the particular commodity | % of such exposure hedged through commodity derivatives |          |                      |          | Total |
|----------------|--------------------------------------------------|-------------------------------------------------------------|---------------------------------------------------------|----------|----------------------|----------|-------|
|                |                                                  |                                                             | Domestic Market                                         |          | International Market |          |       |
|                |                                                  |                                                             | OTC                                                     | Exchange | OTC                  | Exchange |       |
| —              | —                                                | —                                                           | —                                                       | —        | —                    | —        | —     |
| —              | —                                                | —                                                           | —                                                       | —        | —                    | —        | —     |

**PARTICULARS OF SENIOR MANAGEMENT**

The Board of Directors, has identified the Senior Management Personnel (SMP) pursuant to the provisions of Regulation 16(1)(d) of the Listing Regulations. The details of SMP's as at 31st March, 2025 are as follows:

| Name of SMP                    | Designation               | Changes, if any |
|--------------------------------|---------------------------|-----------------|
| 1 Srinivasan Seshadri          | Chief Financial Officer   | No              |
| 2 Nachimuthugounder Krishnaraj | Company Secretary         | No              |
| 3 Muthiah Siva Balasubramanian | President                 | No              |
| 4 Subban Shankar Kumar         | Vice President            | No              |
| 5 Ramalingam Raveeswaran       | Assistant General Manager | No              |
| 6 Joseph Annaraj               | General Manager           | No              |



## WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has established a whistle blower policy/vigil mechanism for Directors and Employees to report concerns about unethical behavior, actual or suspected incidents of fraud or violation of the code of conduct or ethics policy. This mechanism provides adequate safeguards against victimization of directors/employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The whistle blower policy is posted on the company's website at the link [www.bannarimills.com](http://www.bannarimills.com).

## SHAREHOLDING OF NON-EXECUTIVE DIRECTORS AS ON 31.3.2025

| Name of the Director       | No. of shares held |
|----------------------------|--------------------|
| Sri Tharanipathy Rajkumar  | Nil                |
| Sri S K Sundararaman       | Nil                |
| Sri K P Ramakrishnan       | Nil                |
| Smt Priya Bhansali         | Nil                |
| Smt Sadhana Vidhya Shankar | Nil                |
| Smt S Sihamani             | Nil                |
| Sri K Sadhasivam           | Nil                |
| Sri C Sivasamy             | Nil                |

## STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee was formed to specifically look into shareholders/investors complaints if any, on transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend, etc., and also the action taken by the Company on those matters.

|    |                         |          |
|----|-------------------------|----------|
| 1. | Sri S Palaniswami *     | Chairman |
| 2. | Sri S V Arumugam        | Member   |
| 3. | Sri K Sadhasivam**      | Member   |
| 4. | Sri K P Ramakrishnan*** | Chairman |

\*Sri S Palaniswami ceased to be a Director w.e.f 25.8.2024

\*\*Sri K Sadhasivam ceased to be an Independent Director and appointed as a Non-Executive, Non-Independent Director w.e.f 22.8.2024.

The committee was reconstituted w.e.f 14.8.2024.



\*\*\*Sri K P Ramakrishnan was appointed as Stakeholder Relationship Committee member w.e.f 14.8.2024.

Sri N Krishnaraj, Company Secretary is the Compliance Officer.

The company has received one complaint from the Investor and disposed of the same and no complaint was pending at the beginning or at end of the year.

### CEO & CFO CERTIFICATION

The Managing Director and Chief Financial Officer have furnished a certificate relating to financial statements and internal controls and systems to the Board of Directors as prescribed under Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Board took the same on record.

### INSIDER TRADING

In compliance with SEBI Regulations in prohibition of insider trading the company has framed a comprehensive Code of Conduct. The Code lays down guidelines and procedures to be followed and disclosures to be made by the management staff while dealing with the shares of the company.

### GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held at the Registered office of the Company at 252, Mettupalayam Road, Coimbatore - 641043, thro Video Conference and special resolutions passed there at are as follows:

| AGM              | Date & Time            | Special Resolutions Passed                                                                                                        | Voting Pattern                                                                                                                            |
|------------------|------------------------|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 32 <sup>nd</sup> | 26.9.2022<br>10.25 A.M | NIL                                                                                                                               |                                                                                                                                           |
| 33 <sup>rd</sup> | 25.9.2023<br>10.15 A.M | I) Re-appointment of Sri SV Arumugam (DIN 00002458) Managing Director for a further period of 3 years and payment of remuneration | Total Votes polled: 3,59,39,312<br>Votes polled for : 3,52,10,540<br>Votes against : 39,903<br>Votes neutral : Nil<br>Votes Invalid : Nil |
|                  |                        | II) Appointment of Sri C Sivasamy (DIN: 00002921) as a director and as an Independent Director.                                   | Total Votes polled: 3,59,39,312<br>Votes polled for : 3,52,10,540<br>Votes against : 39,903<br>Votes neutral : Nil<br>Votes Invalid : Nil |
| 34 <sup>th</sup> | 22.8.2024<br>10.20 A.M | I) Appointment of Sri K P Ramakrishnan (DIN 07029959) as an Independent Director                                                  | Total Votes polled: 3,59,05,638<br>Votes polled for : 3,59,03,960<br>Votes against : 1,678<br>Votes neutral : Nil<br>Votes Invalid : Nil  |



| AGM              | Date & Time            | Special Resolutions Passed                                                                                                                         | Voting Pattern                                                                                                                            |
|------------------|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|
| 34 <sup>th</sup> | 22.8.2024<br>10.20 A.M | II) Appointment of Smt Priya Bhansali (DIN 00195848) as an Independent Director                                                                    | Total Votes polled: 3,59,39,312<br>Votes polled for : 3,52,10,540<br>Votes against : 39,903<br>Votes neutral : Nil<br>Votes Invalid : Nil |
|                  |                        | III) Appointment of Sri K Sadhasivam (DIN:00610037) as a Non - Executive, Non - Independent Director                                               | Total Votes polled: 3,59,39,312<br>Votes polled for : 3,52,10,540<br>Votes against : 39,903<br>Votes neutral : Nil<br>Votes Invalid : Nil |
| 34 <sup>th</sup> | 22.8.2024<br>10.20 A.M | I) Appointment of Sri K P Ramakrishnan (DIN 07029959) as an Independent Director                                                                   | Total Votes polled: 3,59,05,638<br>Votes polled for : 3,59,03,960<br>Votes against : 1,678<br>Votes neutral : Nil<br>Votes Invalid : Nil  |
| Postal Ballot    | Notice Date            | Special Resolutions Passed                                                                                                                         | Voting Pattern                                                                                                                            |
|                  | 3.9.2024               | I) Issuance of Equity Shares to the persons belonging to the "Promoter and Promoter Group" and "Non-Promoter Group" category on Preferential basis | Total Votes polled: 3,61,02,481<br>Votes polled for : 3,60,75,065<br>Votes against : 27,234<br>Votes neutral : 182<br>Votes Invalid : Nil |
|                  |                        | II) Appointment of Sri Tharanipathy Rajkumar (DIN 00048665) as an Independent Director                                                             | Total Votes polled: 3,61,02,481<br>Votes polled for : 3,60,76,241<br>Votes against : 26,058<br>Votes neutral : 182<br>Votes Invalid : Nil |
|                  |                        | II) Appointment of Smt Sadhana Vidhya Shankar (DIN 10753375) as an Independent Director                                                            | Total Votes polled: 3,61,02,481<br>Votes polled for : 3,60,76,241<br>Votes against : 26,058<br>Votes neutral : 182<br>Votes Invalid : Nil |



Sri R Dhanasekaran, Practicing Secretary, Coimbatore was appointed as Scrutinizer to conduct the voting process.

There is no Special Resolution is being proposed for the approval of shareholders through postal ballot in the forthcoming Annual General Meeting.

## **DISCLOSURES**

- ✓ The Company has not entered into any transaction of a material nature with the related parties having potential conflict with the interest of the Company.
- ✓ There was no instance of non-compliance of any matter related to the capital markets during the last 3 years.
- ✓ The company has a Whistle Blower Policy in place and no personnel has been denied access to the Audit Committee.
- ✓ The Company has complied with all the mandatory requirements of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of Non-mandatory requirements, the company has complied the conditions, except, the suggestion relating to appointment of separate persons to the post of Chairman and Managing Director/CEO and circulation of half Yearly financial results to each household of the shareholder.
- ✓ There were no instances of Board for non-acceptance of any recommendation of any Committee of the Board which is mandatorily required during the Financial Year.
- ✓ The company has obtained a Certificate from Sri R Dhanasekaran, Company Secretary in Practice certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The said certificate is annexed to this report as Annexure.

The company has fully utilised Rs.6.55/- crores, raised through Preferential offer of warrants convertible into equity shares, for the purpose for which it has raised.

## **MEANS OF COMMUNICATION**

- i) The quarterly/half-yearly/annual financial results of the Company are announced within the stipulated period and are normally published in Business Standard (English) and Makkal Kural (Tamil) newspapers. The results and news items relating to the company are displayed in company's website [www.bannarimills.com](http://www.bannarimills.com)
- ii) The Management Discussion and Analysis forms part of this Annual Report.



## SHAREHOLDERS' INFORMATION

### Annual General Meeting

|              |                                                                   |
|--------------|-------------------------------------------------------------------|
| Day and Date | : <b>Monday, 21<sup>st</sup> July 2025</b>                        |
| Time         | : <b>11.30 A.M.</b>                                               |
| Venue        | : " Video Conferencing (VC)"<br>"Other Audio Visual Means (OAVM)" |

### Financial Year 2024 - 25

|                                   |                                                                                                                                                                                                                                                                          |
|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Results Announced                 | : 21.5.2025                                                                                                                                                                                                                                                              |
| Dividend payment Date             | : NA                                                                                                                                                                                                                                                                     |
| Announcement of quarterly Results | : i) During first / second week of August and November 2025, February and May 2026 or as stipulated by SEBI from time to time.<br>ii) The financial results are displayed on the website of the Company <a href="http://www.bannarimills.com">www.bannarimills.com</a> . |

Date of Book Closure for the purpose of Annual General Meeting **15.7.2025 to 21.7.2025** (Both days inclusive)

## SHARE DETAILS

The Company's Equity Shares are listed on the following Stock Exchanges :

| <b>BSE Limited</b>                                            | <b>Stock Code:</b> | <b>National Stock Exchange of India Limited</b>                       | <b>Stock Code:</b> |
|---------------------------------------------------------------|--------------------|-----------------------------------------------------------------------|--------------------|
| Phiroze Jeejeebhoy Towers<br>Dala Street,<br>Mumbai - 400 001 | 532674             | "Exchange Plaza"<br>Bandra-Kurla Complex<br>Bandra (E) Mumbai 400 051 | BASML              |

The company has paid Annual Listing Fees for the year 2025 - 2026.

### Outstanding GDRs/ADRs/Warrants or any convertible instruments

The company has not issued GDRs/ADRs/Warrants or any convertible instruments

## DEMATERIALISATION OF SHARES

The shares of the company are in compulsory demat segment. The company's shares are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL). Members have option to hold their shares in demat for (i.e electronic mode) either through the NSDL or CDSL. ISIN allotted to our company is INE186H01022.

During the year, the company has issued convertible warrants on 4.11.2024 for which the ISIN (INE186H13019) has been allotted and activated by CDSL on 2.12.2024 and by NSDL on 17.1.2025.



### SHARE TRANSFER AGENT

MUFG Intime India Private Limited,

Surya, 35, Mayflower Avenue, Behind Senthil Nagar

Sowripalayam Road, Coimbatore - 641 028

Phone : (0422) 2314792, 2315792

Fax : (0422) 2314792

E-mail : coimbatore@in.mpms.mufg.com

Share Transfer documents, Non-Receipt of share certificates sent for transfer, nomination forms and change of address may directly be sent to the above address.

### SHARE TRANSFER SYSTEM

The Share Transfers in physical form were discontinued w.e.f 1.4.2019 as per SEBI guidelines. Transmission/Transposition requests, if any, which are in physical form are returned within 30 days from the date of receipt if they are in order. The same are approved by the Share Transfer Committee who usually meets, if needed.

### DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

In terms of Regulation 34(3) read with Part F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with Stock Exchange, the Company has opened Demat Suspense Account in the name of "Bannari Amman Spinning Mills Limited -Unclaimed Shares Demat Suspense Account". As on date there is no unclaimed share is held in the account.

### DISTRIBUTION OF SHAREHOLDING AS ON 31.3.2025

| CATEGORY                 | No. of Shares Held | Percentage of Shareholding |
|--------------------------|--------------------|----------------------------|
| Promoter's Holding       | 35880124           | 55.33                      |
| Banks/FIs/Mutual Funds   | 0                  | 0.00                       |
| Private Corporate Bodies | 1802013            | 2.78                       |
| Indian Public            | 26287406           | 40.54                      |
| NRI/OCBs                 | 872328             | 1.35                       |
| <b>Total</b>             | <b>64841871</b>    | <b>100.00</b>              |



**PLANT LOCATIONS:**

| <b>Spinning Units</b>                                                                         |                                                                                                          |
|-----------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| Nadukandanur Pirivu, Morepatty Post<br>Vadamadurai, Dindigul 624 802,<br>Tamilnadu.           | Velvarkottai, Dindigul Trichy National<br>Highway 45, Veda sandur Taluk,<br>Dindigul 624 803, Tamilnadu. |
|                                                                                               |                                                                                                          |
| <b>Weaving Unit</b>                                                                           | <b>Knitting Unit</b>                                                                                     |
| Karanampet - Paruvai Road<br>Paruvai Post, Coimbatore - 641 658                               | Velvarkottai, Dindigul Trichy National<br>Highway 45, Veda sandur Taluk,<br>Dindigul 624 803, Tamilnadu. |
|                                                                                               |                                                                                                          |
| <b>Garment Units</b>                                                                          | <b>Processing Unit</b>                                                                                   |
| Palladam Hitech Weaving Park,<br>Sukkampalayam Village,<br>K N Puram (Po), Palladam - 641 662 | Factory H-11, E-12 & R-44<br>SIPCOT Industrial Growth Estate<br>Perundurai, Erode - 638 052              |
|                                                                                               |                                                                                                          |
| <b>Windmill Units</b>                                                                         |                                                                                                          |
| Irukandurai & Dhanakarkulam Villages<br>Radhapuram Taluk,<br>Tirunelveli District, Tamilnadu  | Chinnapudur Village<br>Dharapuram Taluk<br>Erode District, Tamilnadu                                     |
| Melkaraipatti & Kottathurai Villages<br>Palani Taluk Dindigul District<br>Tamilnadu           |                                                                                                          |

| <b>Address For Correspondence</b>                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>All investor related queries and complaints may be sent to the following address:</p> <p><b>The Company Secretary,</b><br/>Bannari Amman Spinning Mills Limited,<br/>Regd. Office: 252, Mettupalayam Road, Coimbatore - 641 043<br/>E-mail: <a href="mailto:shares@bannarimills.com">shares@bannarimills.com</a></p> |



## CREDIT RATINGS

Credit ratings obtained by the Company and revisions thereto during the financial year 2024-25 for credit facilities availed by the Company from Banks are as follows:

| Rating Agency        | Communication No                           | Nature of facility                       | Rating                             | Rating action |
|----------------------|--------------------------------------------|------------------------------------------|------------------------------------|---------------|
| CARE Ratings Limited | CARE/CMBO/RL/2024-25/1470<br>dt: 21.3.2025 | Long term Bank facilities                | CARE BBB-;<br>Negative             | Reaffirmed    |
|                      |                                            | Short term Bank facilities               | CARE A3                            | Reaffirmed    |
|                      |                                            | Long term / Short Term / Bank facilities | CARE BBB-;<br>Negative/<br>CARE A3 | Reaffirmed    |

## AUDITORS FEES ON CONSOLIDATED BASIS

The total fees for all services paid by the Company and its subsidiaries on consolidated basis to the Statutory Auditors during the year 2024-25 is as follows and no fee has been paid to their network firm/entity of which the Statutory Auditor is a part:

(Rs. in lakhs)

| S. No | Payment of fees towards          | Bannari Amman Spinning Mills Limited |
|-------|----------------------------------|--------------------------------------|
| 1.    | Statutory Audit & Limited Review | 24.00                                |
| 2.    | Other Services                   | 10.10                                |
| 3.    | Reimbursement of Expenses        | 0.75                                 |

By Order of the Board

Coimbatore

21<sup>st</sup> May, 2025

**S V ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458



## MANAGEMENT DISCUSSION AND ANALYSIS

### COMPANY'S BUSINESS

The Company's principal line of business is manufacturing and marketing of Cotton Yarn, Woven and Knitted fabrics, Home Textiles, Knitted Garments and Processing of fabrics. The Company has two spinning units near Dindigul, Tamilnadu with an installed capacity of 145440 spindles, Weaving and Home Textiles units at Karanampettai near Palladam with an installed capacity of 153 looms, Processing unit at SIPCOT, Perundurai with an installed capacity to process 5400 tonnes of fabric per annum, Knitting unit near Dindigul with installed capacity to produce 5200 tonnes of knitted fabric per annum and 27 Windmills with an installed capacity of 23.40 MW green power which is entirely used for captive consumption.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries. The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk, and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms / hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

According to Crisil Ratings, the organised retail apparel sector is projected to achieve revenue growth of 8-10% in FY25, driven by few positive factors.

The market for Indian textiles and apparel is projected to grow at a 10% CAGR to reach US\$ 350 billion by 2030. Moreover, India is the world's 3rd largest exporter of Textiles and Apparel. India ranks among the top five global exporters in several textile categories, with exports expected to reach US\$100 billion.

The textiles and apparel industry contributes 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry in India is predicted to double its contribution to the GDP, rising from 2.3% to approximately 5% by the end of this decade.

### OPPORTUNITIES

Increasing Global Demand for Textiles India is positioned as a leading supplier of textiles globally. The industry is expected to see significant growth in exports, driven by increasing demand in key markets such as the United States, Europe, and the Middle East. India's textile exports are projected to reach \$45 billion by 2025, up from the \$38 billion mark in 2020. This growth is driven by India's competitive manufacturing costs, skilled labor force, and the push to strengthen its export-friendly policies.



As the world moves toward sustainability, the Indian textile industry is embracing eco-friendly manufacturing practices. Sustainable textiles, organic fibers, and eco-friendly dyes are expected to become standard by 2025. The rise of sustainable brands and an increase in consumer awareness around eco-conscious products are prompting Indian manufacturers to adopt green technologies. Moreover, India is focusing on circular economy principles, recycling, and waste reduction in textile production.

Technological Advancements and Automation Technological innovations are revolutionizing the Indian textile industry. Automation, AI, and IoT (Internet of Things) are streamlining production processes, improving efficiency, and reducing costs. By 2025, we can expect more widespread adoption of technologies like smart textiles, digital printing, and automated stitching machines. The implementation of data analytics for real-time decision-making will also play a crucial role in optimizing supply chains and improving product quality.

## **OUTLOOK**

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various major initiatives to boost its technical textile industry. The Indian government is playing a pivotal role in transforming the textile sector through various schemes such as the Production Linked Incentive (PLI) Scheme for Textiles and the National Textile Policy. These initiatives aim to boost manufacturing, exports, and job creation.

With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. The growth in textiles will be driven by growing household income, increasing population, and increasing demand by sectors like housing, hospitality, healthcare, etc.

## **RISKS AND CONCERNS**

Availability of Cotton, the main raw material for manufacture of Cotton Yarn, is subject to the vagaries of nature and the prices also fluctuate wildly based on supply/demand in the World market and Government policy on export of Cotton. Equally high is the cost of man made fibres which impact the Profitability. There are challenges related to Infrastructure and logistics. Environmental concern is also one of the factors which will have a bearing on the Textile industry performance.

## **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal control procedures and systems commensurate with its size and nature of its business for purchase of raw materials, plant and machinery, components and other items and sale of goods. The checks and controls are reviewed by the Audit Committee for improvement in each of these areas on a periodical basis. The internal control systems are improved and modified continuously to meet with changes in business conditions, statutory and accounting requirements.

**FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial performance of the Company has been discussed at length in Director's Report to the Members.

**SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS FOR THE FINANCIAL YEAR 2024-25 AND 2023-24.**

| S.No. | Ratios                  | 31.3.2025 | 31.3.2024 |
|-------|-------------------------|-----------|-----------|
| 1     | Debtors Turnover        | 5.46      | 5.46      |
| 2     | Inventory Turnover      | 2.95      | 2.92      |
| 3     | Interest coverage       | 1.87      | 0.74      |
| 4     | Current Ratio           | 1.13      | 1.05      |
| 5     | Debt Equity Ratio       | 1.11      | 1.34      |
| 6     | Operating Profit margin | 9.93%     | 1.61%     |
| 7     | Net Profit margin       | 4.14%     | (2.73%)   |

**DETAILS OF ANY CHANGE IN RETURN ON NETWORTH AS COMPARED TO IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF**

Return on Networth 31.3.2025 - 8.47%

Return on Networth 31.3.2024 - (6.90%)

The RONW has turned positive during FY 25 as the operating performance of the Company has improved as compared to previous year.

**MEDIUM TERM AND LONG TERM STRATEGIES**

The Company currently manufactures Cotton yarn, Polyester & Cotton blended yarn, Knitted fabric, Grey and bleached woven fabric, made ups and Processed knit fabric. The medium and long term strategies that will be initiated by the Company are discussed below.

**Cotton Yarn :**

As part of product diversification, the Spinning units have started manufacturing finer counts viz.80s, 100s used in value added applications and also new product mixes produced out of imported cotton for quality sensitive consumers. Production of Polyester and cotton blended yarn commenced during the year.

**Knitted fabric :**

Knitted fabric production is against orders and emphasis will be on producing value added fabric (Lycra).

**Woven fabric :**

Production of fabric is generally against orders. A portion of fabric produced is transferred to Home Textile division for manufacture of value added products. Efforts are underway to identify new markets.

**Home Textiles :**

The main products are bleached fabric and madeups like bed linen products meant mainly for exports. Home textiles is one of the focus areas for the Company and efforts are underway to increase the share of Home Textiles products.

**Processed Knitted fabric :**

The processing division produces dyed fabric for Hosiery segment applications and the production is against orders. Surplus capacity is utilized for job work order.

(Disclosure with limits set by competitive position, medium term and long term strategies as approved by Board of Directors)

Coimbatore  
21<sup>st</sup> May, 2025

By Order of the Board  
**S V ARUMUGAM**  
**CHAIRMAN & MANAGING DIRECTOR**  
**DIN 00002458**



## **DECLARATION ON CODE OF CONDUCT**

To  
The Members of  
Bannari Amman Spinning Mills Limited

In compliance with the requirements of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, I declare that the Board of Directors and members of senior management have affirmed the compliance with the code of conduct during the financial year ended 31.3.2025.

By Order of the Board

Place : Coimbatore  
Date : 21.5.2025

**S V ARUMUGAM**  
Managing Director  
DIN 00002458

## **CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
Bannari Amman Spinning Mills Limited  
(CIN: L17111TZ1989PLC002476)

I have examined the compliance of conditions of Corporate Governance by M/s. Bannari Amman Spinning Mills Limited ('the company'), for the year ended on 31st March, 2025 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Securities Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR) Regulations, 2015 during the year ended 31st March, 2025.

I further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Coimbatore  
Date : 21.05.2025

**R Dhanasekaran**  
Company Secretary in Practice  
FCS 7070 / CP 7745  
Peer Review No 811/2020  
ICSI UDIN: F007070G000372897

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members of  
BANNARI AMMAN SPINNING MILLS LIMITED  
CIN: L17111TZ1989PLC002476  
Registered office: 252, Mettupalayam Road,  
Coimbatore-641043.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bannari Amman Spinning Mills Limited having CIN:L17111TZ1989PLC002476 and having registered office at 252, Mettupalayam Road, Coimbatore - 641043 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continue as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

Place : Coimbatore  
Date : 21.05.2025

**R Dhanasekaran**  
**Company Secretary in Practice**  
**FCS 7070 / CP 7745**  
**Peer Review No 811/2020**  
**ICSI UDIN: F007070G000372996**



## **INDEPENDENT AUDITOR'S REPORT**

### **To The Members of Bannari Amman Spinning Mills Limited Report on the Audit of the Standalone Financial Statements**

#### **Opinion**

1. We have audited the accompanying Standalone Financial Statements of Bannari Amman Spinning Mills Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended on that date and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.



### Description of Key Audit Matter

#### Inventory of Raw Material, Work-in-Progress and Finished Goods as at the year ended March 31, 2025

We draw attention to Note no 50 on Valuation of Inventories in Standalone Financial Statements of the Company read with the Accounting Policy No. 2.3.

The inventory of Raw Material, Work-in-progress and Finished Goods are valued at the lower of cost and net realizable value. With respect to Work-in-progress and Finished Goods, cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Work-in-progress and Finished Goods to their present location and condition. The Company is an integrated textile manufacturer and the inventory primarily comprises of diversified range and quality of yarn, fabric and garments, and its valuation depends on the quality of the item as per the specification received from the customers, and its stage of manufacturing, quality and date of purchase of the raw material and other inputs, and efficiency of the manufacturing facility. The Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation. The Company maintains its inventory levels based on forecast demand and expected future selling prices. Considering that the Company is having substantial inventory, the carrying value of which is material in the context of total assets of the Company and the valuation thereof involves significant level of subjectivity, judgment and estimation, as detailed above, the same has been considered as Key Audit Matter by us during our audit.

### Description of Auditors' Response

#### Audit Procedure included, but not limited to the following:

- Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards.
- Obtaining an understanding of the Company's process of valuation of the stock, which is done through the computer software.
- Evaluating the design and implementation of the Company's key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples.
- Performing substantive procedures to test the reasonableness of the cost allocation methods and basis for allocation of various conversion costs including the direct and indirect cost.
- Evaluating the process of ascertaining the realizable value of the inventory by comparing the actual sales of the same type of the material and its realisation etc.
- Comparing the inventory valuation process of the Company with the industry practices and norms.

Based on the above procedures performed, the determination of Inventory valuation of Raw Material, Work-in-progress and Finished Goods as at the reporting date is considered to be reasonable.



### **Information Other than the Financial Statements and Auditor's Report thereon**

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Standalone financial statements, Consolidated financial statements and our auditor's report thereon.
6. Our opinion on the Standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Based on the work we have performed on other information, if we conclude that there is a material misstatement, if any, of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of the Management and those Charged with Governance for the Standalone Financial Statements**

8. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- a) Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - b) Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- 14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
- 15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

- 16. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 17. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.



- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
- g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone financial statements - Refer note no: 38 to the Standalone financial statements.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv)
    - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf



of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material mis-statement
- v) The company has not declared or paid any dividend during the year.
- vi) a) Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail function has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit we did not come across any instance of audit trail feature being tampered with.  
b) Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **P N RAGHAVENDRA RAO & CO.,**  
Chartered Accountants  
Firm Registration Number: 003328S

**P R Vittel**  
(Partner)

Membership Number: 018111  
UDIN: 25018111BMRJZM7096

Place : Coimbatore  
Date : 21<sup>st</sup> May 2025

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 16 of the Independent Auditor's Report of even date to the members of **Bannari Amman Spinning Mills Limited** on the Standalone financial statements for the year ended March 31, 2025.

- i. a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
B) The Company does not hold any intangible assets and hence reporting under this clause is not applicable.
- b) The Company has physically verified property, plant and equipment in regular intervals during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment.
- c) In our opinion and according to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the company. In respect of immovable properties taken on lease and disclosed as right-of-use assets in the Standalone financial statements, the lease agreements are in the name of the company.
- d) The Company has not revalued any of its property, plant and equipment (including right of use assets) during the year.
- e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a) The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.
- b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of account, the Company has been sanctioned, during the year, working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The Quarterly Returns or Statements filed by the company with the banks are in agreement with the books of accounts of the company.
- iii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the books of account, except for the investment made, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans during the year.



Reporting under sub-clause a of clause (iii) are as follows;

(Amount Rs. in lakhs)

a)

| Particulars                                                                          | Guarantees | Loans  |
|--------------------------------------------------------------------------------------|------------|--------|
| Aggregate amount granted / provided during the year                                  |            |        |
| - Subsidiaries                                                                       | Nil        | Nil    |
| - Others                                                                             | Nil        | Nil    |
| Balance outstanding as at balance sheet date in respect of loans/guarantees provided |            |        |
| - Subsidiaries                                                                       | Nil        | 550.00 |
| - Others                                                                             | Nil        | Nil    |

- b) In our opinion and according to the information and explanations given to us, the investments made, loans granted and their terms and conditions are not prejudicial to the interests of the Company.
- c) In respect of the loans provided by the company, the schedule of repayment of principal has been stipulated and the repayments or receipts are yet to commence as per stipulations.
- d) As per explanations provided to us and based on audit procedures conducted, there is no amount overdue as at the Balance sheet date.
- e) As per explanations provided to us and based on the examination of records, the company has not granted any loans/advances to its subsidiary during the year.
- f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to promoters, related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013.
- iv. In our opinion and according to the information and the explanations given to us, the Company has not granted any loans or provided any guarantees or securities to the parties covered under the section 185 of the Act. The Company has complied with the provisions of section 186 of the Act in respect of investments made or loans provided.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, reporting under paragraph 3(v) is not applicable to the Company.
- vi. As per the information and explanations given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues



including Provident Fund, Employee's State Insurance, Income tax, Goods and Service Tax, duty of customs, cess and any other material statutory dues, as applicable.

There are no undisputed Statutory dues in respect of Provident Fund, Employee's State Insurance, Income tax, Goods and Service Tax, duty of customs, cess and any other statutory dues outstanding as at 31.03.2025 for a period of more than 6 months from the date they became payable.

- b) According to the information and explanations given to us, the details of statutory dues referred in sub-clause (a) which have not been deposited as on March 31, 2025 on account of disputed dues are given below:

| S. No. | Name of the Statute                                            | Nature of Dues | Amount | Period to which demand relates | Forum where dispute is pending | Remarks |
|--------|----------------------------------------------------------------|----------------|--------|--------------------------------|--------------------------------|---------|
| 2      | Tamil Nadu Tax on Consumption or Sale of Electricity Act, 2003 | TANGEDCO Dues  | 864.69 | August 2011 to March 2024      | Supreme Court of India         | —       |
|        |                                                                |                | 80.61  | September 2012 to May 2015     | Madras High Court              |         |
|        |                                                                |                | 783.41 | September 2013 to March 2024   |                                |         |
|        |                                                                |                | 86.09  | December 2014 to March 2017    |                                |         |

- viii. According to the information and explanations given to us and on the basis of our examination of the books of account, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) According to the information and explanations given to us, the Company has not made any default in repayment of dues to banks, financial institutions and other lenders during the year.
- b) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institutions or any other lender.
- c) According to the information and explanations given to us, the company has not availed any term loans during the year.
- d) According to the information and explanations given to us and based on our overall examination of Standalone Financial Statements of the Company, the funds raised on short term basis by the company during the year have not been utilized for long term purposes.
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and hence, reporting under clause(ix)(e) of the Order is not applicable.
- f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries and hence, reporting under clause(ix)(f) of the Order is not applicable.



- x. a) The Company has not raised any money by way of Initial Public Offer or further public offer (including Debt instruments) during the year.  
b) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has made preferential allotment of convertible equity share warrants during the year and the requirements of section 42 and section 62 of the Companies Act, 2013, have been complied with. The Company has utilised funds raised by way of preferential allotment of said equity share warrants for the purpose for which the funds were raised.
- xi. a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year. Accordingly, reporting under clause 3(xi)(a) of the Order is not applicable to the company.  
b) According to the information and explanations given to us, no report under Section 143(12) of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules 2014 with the Central Government during the year and up to the date of this report. Accordingly, reporting under clause 3(xi)(b) of the Order is not applicable to the company.  
c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year. Accordingly, reporting under clause 3(xi) (c) of the Order is not applicable to the company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Note no 42 to the Standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.  
b) The Reports of the Internal Auditors of the Company issued till the date of the audit report for the period under audit were considered by us.
- xv. According to the information and explanations given to us, in our opinion during the year, the Company has not entered into any non-cash transactions with the directors or persons connected with the directors and hence provisions of Section 192 of the Act are not applicable to the Company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) (a) of the Order is not applicable.



- b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration (CoR) from Reserve Bank of India as per Reserve Bank of India Act, 1934. Accordingly, the paragraph 3(xvi) (b) of the Order is not applicable.
  - c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the paragraph 3(xvi) (c) of the Order is not applicable.
  - d) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, the paragraph 3(xvi) (d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year however, it had incurred a cash loss of Rs. 683.20 lakhs during the immediately preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors during the year and accordingly this clause is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report and that the company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- xx. a) According to the information and explanations given to us and based on our examination of the records, the company is not required to spend any amount in accordance with section 135 of the Act. Hence reporting under paragraph 3(xx)(a) is not applicable.
- b) The Company does not have any ongoing projects and there are no unspent amounts pursuant to ongoing projects that are required to be transferred to a special account in compliance of provision of section 135(6) of the Act.

For **P N RAGHAVENDRA RAO & CO.,**  
Chartered Accountants  
Firm Registration Number: 003328S

**P R Vittel**  
(Partner)

Membership Number: 018111  
UDIN: 25018111BMRJZM7096

Place : Coimbatore  
Date : 21<sup>st</sup> May 2025



## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

Referred to in paragraph 17(f) of the Independent Auditor's Report of even date to the members of Bannari Amman Spinning Mills Limited on the Standalone financial statements for the year ended March 31, 2025.

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of**

#### **Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the internal financial controls over financial reporting of Bannari Amman Spinning Mills Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Standalone financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and
  - c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **P N RAGHAVENDRA RAO & CO.,**  
Chartered Accountants  
Firm Registration Number: 003328S

**P R Vittel**  
(Partner)

Membership Number: 018111  
UDIN: 25018111BMRJZM7096

Place : Coimbatore  
Date : 21<sup>st</sup> May 2025



## STANDALONE BALANCE SHEET AS AT MARCH 31, 2025

(Rs. in Lakhs)

| Particulars                                                                                         | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| <b>ASSETS</b>                                                                                       |          |                      |                      |
| <b>1 Non-current assets</b>                                                                         |          |                      |                      |
| a) Property, plant and equipment (incl. Right-of-use assets)                                        | 3A       | 47,646.47            | 48,031.68            |
| b) Capital work-in-progress                                                                         | 3B       | 1,509.07             | 1,009.26             |
| c) Financial assets                                                                                 |          |                      |                      |
| i) Investments                                                                                      | 4        | 390.19               | 385.24               |
| ii) Loans                                                                                           | 5        | 771.05               | 721.55               |
| iii) Other financial assets                                                                         | 6        | 1,552.59             | 1,054.94             |
| d) Other non-current assets                                                                         | 7        | 194.21               | 460.03               |
| <b>Total non-current assets (A)</b>                                                                 |          | <b>52,063.58</b>     | <b>51,662.70</b>     |
| <b>2 Current assets</b>                                                                             |          |                      |                      |
| a) Inventories                                                                                      | 8        | 21,728.27            | 21,148.40            |
| b) Financial assets                                                                                 |          |                      |                      |
| i) Trade receivables                                                                                | 9        | 15,737.10            | 16,916.07            |
| ii) Cash and cash equivalents                                                                       | 10A      | 320.71               | 787.36               |
| iii) Other Bank balances                                                                            | 10B      | 240.06               | 11.23                |
| iv) Loans                                                                                           | 11       | 41.23                | 19.49                |
| v) Other financial assets                                                                           | 12       | 1,907.66             | 1,878.49             |
| c) Current tax assets (Net)                                                                         | 13       | 563.13               | 171.36               |
| d) Other current assets                                                                             | 14       | 3,996.00             | 5,251.29             |
| <b>Total Current assets (B)</b>                                                                     |          | <b>44,534.16</b>     | <b>46,183.69</b>     |
| <b>3 Assets classified as held for sale (C)</b>                                                     | 53       | <b>4,780.11</b>      | <b>7,442.82</b>      |
| <b>Total Assets (A) + (B) + (C)</b>                                                                 |          | <b>1,01,377.85</b>   | <b>1,05,289.21</b>   |
| <b>EQUITY AND LIABILITIES</b>                                                                       |          |                      |                      |
| <b>1 Equity</b>                                                                                     |          |                      |                      |
| a) Equity share capital                                                                             | 15       | 3,242.09             | 3,242.09             |
| b) Other equity                                                                                     | 16       | 39,031.41            | 34,724.72            |
| <b>Total Equity (D)</b>                                                                             |          | <b>42,273.50</b>     | <b>37,966.81</b>     |
| <b>Liabilities</b>                                                                                  |          |                      |                      |
| <b>2 Non-current liabilities</b>                                                                    |          |                      |                      |
| a) Financial liabilities                                                                            |          |                      |                      |
| i) Borrowings                                                                                       | 17       | 14,286.11            | 21,902.67            |
| ii) Lease liabilities                                                                               | 18, 46   | 27.45                | 56.61                |
| b) Deferred tax liabilities (net)                                                                   | 44       | 1,059.43             | 1,341.61             |
| c) Other non-current liabilities                                                                    | 19       | -                    | 65.93                |
| <b>Total Non-current liabilities (E)</b>                                                            |          | <b>15,372.99</b>     | <b>23,366.82</b>     |
| <b>3 Current liabilities</b>                                                                        |          |                      |                      |
| a) Financial liabilities                                                                            |          |                      |                      |
| i) Borrowings                                                                                       | 20       | 32,379.17            | 28,733.16            |
| ii) Lease liabilities                                                                               | 21, 46   | 32.95                | 12.82                |
| iii) Trade payables                                                                                 |          |                      |                      |
| - Total outstanding dues of Micro and Small Enterprises                                             | 22       | 940.76               | 2,652.90             |
| - Total outstanding dues other than Micro and Small Enterprises                                     |          | 4,210.02             | 7,282.13             |
| iv) Other financial liabilities                                                                     | 23       | 168.22               | 187.74               |
| b) Other current liabilities                                                                        | 24       | 2,397.11             | 1,700.32             |
| c) Provisions                                                                                       | 25       | 853.13               | 136.51               |
| d) Liabilities directly associated with Assets classified as held for sale/ Discontinued operations |          | 2,750.00             | 3,250.00             |
| <b>Total Current liabilities (F)</b>                                                                |          | <b>43,731.36</b>     | <b>43,955.58</b>     |
| <b>Total Equity and Liabilities (D) + (E) + (F)</b>                                                 |          | <b>1,01,377.85</b>   | <b>1,05,289.21</b>   |
| <b>Material Accounting Policies</b>                                                                 | 2        |                      |                      |
| <b>The accompanying notes form an integral part of the Standalone Financial Statements</b>          |          |                      |                      |

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 003328S

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer



## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Lakhs)

| Particulars                                                                                                             | Note No. | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|-------------------------------------------------------------------------------------------------------------------------|----------|--------------------------------------|--------------------------------------|
| <b>INCOME</b>                                                                                                           |          |                                      |                                      |
| I Revenue from Operations                                                                                               | 26       | 88,735.86                            | 92,351.88                            |
| II Other Income                                                                                                         | 27       | 294.26                               | 1,967.31                             |
| III <b>Total Income (I+II)</b>                                                                                          |          | <b>89,030.12</b>                     | <b>94,319.19</b>                     |
| <b>IV EXPENSES</b>                                                                                                      |          |                                      |                                      |
| Cost of materials consumed                                                                                              | 28       | 65,457.55                            | 67,124.99                            |
| Purchase of Stock-in trade                                                                                              | 29       | 971.12                               | 103.99                               |
| Changes in inventories of finished goods and work-in-progress                                                           | 30       | (3,649.20)                           | 2,634.39                             |
| Employee benefit expense                                                                                                | 31       | 8,085.43                             | 8,253.46                             |
| Finance costs                                                                                                           | 32       | 4,502.16                             | 4,909.57                             |
| Depreciation and amortization expense                                                                                   | 33       | 2,522.47                             | 2,886.58                             |
| Other expenses                                                                                                          | 34       | 11,411.14                            | 11,233.12                            |
| <b>Total Expenses (IV)</b>                                                                                              |          | <b>89,300.67</b>                     | <b>97,146.08</b>                     |
| V <b>Profit before exceptional item and tax (III-IV)</b>                                                                |          | <b>(270.55)</b>                      | <b>(2,826.91)</b>                    |
| VI <b>Exceptional items</b>                                                                                             |          | -                                    | -                                    |
| VII <b>Profit/(Loss) before tax (V-VI)</b>                                                                              |          | <b>(270.55)</b>                      | <b>(2,826.91)</b>                    |
| VIII <b>Tax expense:</b>                                                                                                |          |                                      |                                      |
| Deferred tax Expenses / (Savings)                                                                                       |          | (152.77)                             | (763.65)                             |
| IX <b>Profit / (Loss) for the period from continuing operations (VII-VIII)</b>                                          |          | <b>(117.78)</b>                      | <b>(2,063.26)</b>                    |
| X <b>Profit / (Loss) from discontinued operations</b>                                                                   |          | <b>4,390.87</b>                      | <b>(861.06)</b>                      |
| XI <b>Tax Expense / (Savings) of discontinued operations</b>                                                            |          | <b>587.04</b>                        | <b>(300.89)</b>                      |
| Current Tax                                                                                                             |          | 721.82                               | -                                    |
| Deferred Tax                                                                                                            |          | (134.78)                             | (300.89)                             |
| XII <b>Profit / (Loss) from discontinued operations after tax (X-XI)</b>                                                |          | <b>3,803.83</b>                      | <b>(560.17)</b>                      |
| XIII <b>Profit / (Loss) for the period (IX+XII)</b>                                                                     |          | <b>3,686.05</b>                      | <b>(2,623.43)</b>                    |
| XIV <b>Other Comprehensive Income</b>                                                                                   |          |                                      |                                      |
| i) Items that will not be reclassified to profit or loss                                                                |          |                                      |                                      |
| a) Remeasurement of Defined benefit plans                                                                               |          | 15.41                                | 66.55                                |
| b) Gain/loss on equity instruments designed at FVTOCI                                                                   |          | 3.35                                 | (1.00)                               |
| ii) Income tax relating to items that will not be reclassified to profit or loss                                        |          | (5.38)                               | (23.25)                              |
| <b>Other Comprehensive Income/(Loss) for the period</b>                                                                 |          | <b>13.38</b>                         | <b>42.30</b>                         |
| <b>Total Comprehensive Income/(Loss) for the period (XIII+XIV)</b>                                                      |          | <b>3,699.43</b>                      | <b>(2,581.13)</b>                    |
| XV Earnings per equity share of Rs. 5/- each (for continuing operations)<br>Basic and Diluted (in Rs.)                  |          | (0.18)                               | (3.18)                               |
| XVI Earnings per equity share of Rs. 5/- each (for discontinued operation)<br>Basic and Diluted (in Rs.)                |          | 5.87                                 | (0.86)                               |
| XVII Earnings per equity share of Rs. 5/- each (for discontinued & continuing operations)<br>Basic and Diluted (in Rs.) |          | 5.68                                 | (4.04)                               |
| <b>Material Accounting Policies</b>                                                                                     | 2        |                                      |                                      |
| <b>The accompanying notes form an integral part of the Standalone Financial Statements</b>                              |          |                                      |                                      |

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 0033285

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer


**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**

(Rs. in Lakhs)

| Particulars                         | No. of shares      | Amount          |
|-------------------------------------|--------------------|-----------------|
| <b>a) Equity share capital</b>      |                    |                 |
| Balance as at the April 1, 2023     | 6,48,41,871        | 3,242.09        |
| Add : Changes during the year       | -                  | -               |
| <b>Balance as at March 31, 2024</b> | <b>6,48,41,871</b> | <b>3,242.09</b> |
| Balance as at April 1, 2024         | 6,48,41,871        | 3,242.09        |
| Add: Changes during the year        | -                  | -               |
| <b>Balance as at March 31, 2025</b> | <b>6,48,41,871</b> | <b>3,242.09</b> |

**b) Other equity**

(Rs. in Lakhs)

| Particulars                               | Reserves and surplus       |                 |                   | Items of other comprehensive income                        |                                                       | Money received against share warrants | Total other equity |
|-------------------------------------------|----------------------------|-----------------|-------------------|------------------------------------------------------------|-------------------------------------------------------|---------------------------------------|--------------------|
|                                           | Securities premium account | General reserve | Retained earnings | Remeasurements of the defined benefit liabilities /(asset) | Equity instruments through other comprehensive income |                                       |                    |
| <b>Balance as at April 1, 2023</b>        | 16,129.03                  | 16,295.22       | 4,793.77          | 82.38                                                      | 5.45                                                  | -                                     | 37,305.85          |
| Profit / (loss) for the year              | -                          | -               | (2,623.43)        | -                                                          | -                                                     | -                                     | (2,623.43)         |
| Dividend paid                             | -                          | -               | -                 | -                                                          | -                                                     | -                                     | -                  |
| Rights issue expenses                     | -                          | -               | -                 | -                                                          | -                                                     | -                                     | -                  |
| Other comprehensive income (net of taxes) | -                          | -               | -                 | 43.30                                                      | (1.00)                                                | -                                     | 42.30              |
| <b>Balance as at March 31, 2024</b>       | 16,129.03                  | 16,295.22       | 2,170.34          | 125.68                                                     | 4.45                                                  | -                                     | 34,724.72          |
| <b>Balance as at April 1, 2024</b>        | 16,129.03                  | 16,295.22       | 2,170.34          | 125.68                                                     | 4.45                                                  | -                                     | 34,724.72          |
| Profit / (loss) for the year              | -                          | -               | 3,686.05          | -                                                          | -                                                     | -                                     | 3,686.05           |
| Rights issue expenses                     | (47.74)                    | -               | -                 | -                                                          | -                                                     | -                                     | (47.74)            |
| Part amount received during the year      | -                          | -               | -                 | -                                                          | -                                                     | 655.00                                | 655.00             |
| Other comprehensive income (net of taxes) | -                          | -               | -                 | 10.03                                                      | 3.35                                                  | -                                     | 13.38              |
| <b>Balance as at March 31, 2025</b>       | 16,081.29                  | 16,295.22       | 5,856.39          | 135.71                                                     | 7.80                                                  | 655.00                                | 39,031.41          |

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 003328S

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**P R Vittel**  
Partner  
Membership No: 018111

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer

Coimbatore  
21.05.2025



STANDALONE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Lakhs)

| Particulars                                                                     | For the year ended<br>March 31, 2025 |            | For the year ended<br>March 31, 2024 |            |
|---------------------------------------------------------------------------------|--------------------------------------|------------|--------------------------------------|------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                   |                                      |            |                                      |            |
| Profit / (loss) before tax from Continuing and Discontinued operations          |                                      | 4,120.32   |                                      | (3,687.97) |
| Adjustments for:                                                                |                                      |            |                                      |            |
| Depreciation expense                                                            | 2,547.48                             |            | 3,005.10                             |            |
| (Profit) / loss on sale of property, plant and equipment                        | 21.23                                |            | (110.03)                             |            |
| (Profit) / loss on sale of investments                                          | (5,348.00)                           |            | (14.96)                              |            |
| Finance costs                                                                   | 4,727.40                             |            | 5,232.31                             |            |
| Interest income                                                                 | (170.00)                             |            | (101.54)                             |            |
| Dividend income                                                                 | -                                    |            | (250.87)                             |            |
| Doubtful trade receivables and bad debts written off                            | 46.82                                |            | 279.57                               |            |
| Gain on termination of lease                                                    | (0.06)                               |            | (4.75)                               |            |
| Net unrealised exchange (gain)                                                  | (116.66)                             |            | (46.08)                              |            |
|                                                                                 |                                      | 1,708.21   |                                      | 7,988.74   |
| Operating profit before working capital changes                                 |                                      | 5,828.53   |                                      | 4,300.77   |
| Changes in working capital :                                                    |                                      |            |                                      |            |
| Adjustments for increase / (decrease) in operating assets:                      |                                      |            |                                      |            |
| Financial assets                                                                |                                      |            |                                      |            |
| Trade receivables                                                               | 1,248.81                             |            | 1,124.67                             |            |
| Loans                                                                           | (71.24)                              |            | (47.11)                              |            |
| Other financial assets                                                          | (534.39)                             |            | (1,301.25)                           |            |
| Non-financial assets                                                            |                                      |            |                                      |            |
| Inventories                                                                     | (579.87)                             |            | 7,279.56                             |            |
| Other non-financial assets                                                      | 1,267.21                             |            | (1,538.96)                           |            |
| Adjustments for increase / (decrease) in operating liabilities:                 |                                      |            |                                      |            |
| Financial liabilities                                                           |                                      |            |                                      |            |
| Trade payables                                                                  | (4,784.25)                           |            | (294.11)                             |            |
| Other financial liabilities                                                     | 61.69                                |            | (115.45)                             |            |
| Non-financial liabilities                                                       |                                      |            |                                      |            |
| Provisions                                                                      | (5.20)                               |            | (0.04)                               |            |
| Other non-financial liabilities                                                 | 130.86                               |            | 2,114.33                             |            |
|                                                                                 |                                      | (3,266.38) |                                      | 7,221.64   |
|                                                                                 |                                      | 2,562.15   |                                      | 11,522.41  |
| Net income tax paid                                                             |                                      | (328.11)   |                                      | 31.67      |
| Net cash flow from/(used in) operating activities (A)                           |                                      | 2,234.04   |                                      | 11,554.08  |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                   |                                      |            |                                      |            |
| Capital expenditure on property plant and equipment, including capital advances | (2,605.76)                           |            | (1,481.40)                           |            |
| Margin money deposits                                                           | (228.83)                             |            | 181.31                               |            |
| Sale of Investments                                                             | 7,949.04                             |            | 254.98                               |            |
| Proceeds from sale of property, plant and equipment                             | 206.21                               |            | 451.08                               |            |
| Dividend Income received                                                        | -                                    |            | 250.87                               |            |
| Interest received                                                               | 140.83                               |            | 89.08                                |            |
| Net cash flow from/(used in) investing activities (B)                           |                                      | 5,461.49   |                                      | (254.07)   |


**STANDALONE STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2025**

(Rs. in Lakhs)

| Particulars                                                           | For the year ended<br>March 31, 2025 |                   | For the year ended<br>March 31, 2024 |                    |
|-----------------------------------------------------------------------|--------------------------------------|-------------------|--------------------------------------|--------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                         |                                      |                   |                                      |                    |
| Proceeds/(Repayment) of non-current borrowings                        | (4,518.50)                           |                   | (5,639.72)                           |                    |
| Increase/(Decrease) in working capital borrowings                     | 547.95                               |                   | (193.33)                             |                    |
| Proceeds from issuing share warrants                                  | 655.00                               |                   | -                                    |                    |
| Payment of dividend including tax thereon                             | -                                    |                   | -                                    |                    |
| Repayment of lease liabilities                                        | (42.10)                              |                   | (74.77)                              |                    |
| Right issue expenses                                                  | (47.74)                              |                   | -                                    |                    |
| Finance costs paid                                                    | (4,756.79)                           |                   | (5,064.63)                           |                    |
| <b>Net cash flow from/(used in) financing activities (C)</b>          |                                      | <b>(8,162.18)</b> |                                      | <b>(10,972.47)</b> |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b> |                                      | <b>(466.65)</b>   |                                      | <b>327.55</b>      |
| Add: Cash and cash equivalents at the beginning of the year           |                                      | 787.36            |                                      | 459.81             |
| <b>Cash and cash equivalents at the beginning of the year*</b>        |                                      | <b>320.71</b>     |                                      | <b>787.36</b>      |
| <b>Cash and cash equivalents as per Cash Flow Statement</b>           |                                      |                   |                                      |                    |
| * Comprises:                                                          |                                      |                   |                                      |                    |
| a) Cash on hand                                                       | 1.75                                 |                   | 5.23                                 |                    |
| b) Cheques/drafts on hand                                             | 15.61                                |                   | 3.00                                 |                    |
| c) Balances with banks:                                               |                                      |                   |                                      |                    |
| i) In current accounts                                                | 303.35                               |                   | 779.13                               |                    |
| <b>Total</b>                                                          |                                      | <b>320.71</b>     |                                      | <b>787.36</b>      |

As per our report of even date

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 003328S

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

For and on behalf of the board

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**K. SADHASIVAM**  
Director  
DIN 00610037

**S. SESHADRI**  
Chief Financial Officer



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.       | <p><b>Corporate information</b></p> <p>Bannari Amman Spinning Mills Limited (the "Company") is an integrated textile company engaged in the manufacture of cotton yarn, knitted &amp; woven fabrics, processing of fabrics, finished garments, home textiles and wind power generation. The Company was incorporated on 10th July 1989 and issued shares to the public in the year 2006. The registered office of the company is situated at 252, Mettupalayam Road, Coimbatore-641043.</p> <p><b>Material accounting policies</b></p> <p>This note provides a list of the material accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.</p> <p><b>2.1 Basis of accounting and preparation of financial statements</b></p> <p><b>i) Compliance with Ind AS</b></p> <p>The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.</p> <p><b>ii) Historical cost convention</b></p> <p>The standalone financial statements have been prepared on a historical cost basis, except for the following:</p> <ul style="list-style-type: none"> <li>a) Certain property, plant and equipment, financial assets and liabilities that are measured at fair value</li> <li>b) Defined benefit plans – plan assets measured at fair value</li> <li>c) Assets held for sale – measured at the lower of their carrying amount and the fair value less cost to sell.</li> </ul> <p><b>iii) Functional and presentation currency</b></p> <p>The standalone financial statements are presented in the Company's functional and presentation currency, Indian rupee (Rs.), rounded off to the nearest rupees in lakhs.</p> <p><b>iv) Current/Non-Current Classification:</b></p> <p>The Company has classified all the assets and liabilities as current and non-current based on the normal operating cycle of the Company and other criteria as set out in the Schedule III of Companies Act, 2013. Based on the nature of products / activities of the Company and the normal time between acquisition of assets/inventories for processing and their realisation in</p> |



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.</p> <p><b>v) Rounding of Amounts :</b></p> <p>All the financial information included in the standalone financial statements have been rounded off to the nearest rupees in lakhs and two decimals thereof as per the requirement of schedule III to the Companies Act, 2013 under stated otherwise.</p> <p><b>2.2 Use of estimates and judgement</b></p> <p>In the preparation of the Standalone Financial Statements, management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.</p> <p>The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.</p> <p>The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.</p> <p><b>a) Impairment of investments in subsidiaries</b></p> <p>The Company reviews its carrying value of investments in subsidiaries at cost, annually, or more frequently when there is an indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.</p> <p><b>b) Useful lives of property, plant and equipment</b></p> <p>The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods. Useful life in years : Factory building - 30, Building (non factory) - 60, Plant and machinery (main) - 30, Plant and machinery (others) - 15, Office equipments - 5, Furniture &amp; fittings - 10, Vehicles - 8.</p> <p><b>c) Deferred tax assets</b></p> <p>The carrying amount of deferred tax asset is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p> |



## Notes to the standalone financial statements for the year ended March 31, 2024

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p><b>d) Employee benefits</b></p> <p>The cost of post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.</p> <p><b>e) Inventories</b></p> <p>Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market - driven changes.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>2.3</b> | <p><b>Inventories</b></p> <p>Inventories are valued at lower of cost and net realisable value including necessary provision for obsolescence. The cost of inventories shall comprise all costs of purchase , conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method. Value of finished goods and work-in-progress are determined on weighted average basis and include appropriate share of overheads.</p> <p>Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.</p> |
| <b>2.4</b> | <p><b>Cash flow statement</b></p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of tax expenses , transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>2.5</b> | <p><b>Taxes on income</b></p> <p>a) Current tax</p> <p>The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit / (loss) before tax' as reported in the Standalone Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantially enacted and are applicable as at the end of the reporting</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>period. In the absence of adequate taxable profits, the Company is required to pay Minimum Alternate Tax (MAT) on the book profits, as adjusted for certain provisions.</p> <p>Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.</p> <p><b>b) Deferred tax</b></p> <p>Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.</p> <p>MAT paid in accordance with the tax laws, if any, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.</p> <p>The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of part or all of that deferred tax asset to be utilised.</p> <p>Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse.</p> <p>Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.</p> <p><b>c) Current and deferred tax for the year</b></p> <p>Current and deferred tax are recognised in the Standalone Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or</p> |



## Notes to the standalone financial statements for the year ended March 31, 2025

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
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|            | <p>directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>2.6</b> | <p><b>a) Property, plant and equipment</b></p> <p>The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.</p> <p>An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.</p> <p>Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.</p> <p>Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.</p> <p>Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as capital advance under other non-current assets.</p> <p><b>b) Capital work-in-progress</b></p> <p>Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.</p> <p><b>c) Depreciation and Amortisation</b></p> <p>Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 on a systematic basis except in respect of the following assets which are considered</p> |



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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|          | <p>based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., Depreciation is provided pro-rata from the date of Capitalisation.</p> <p>Plant and Machinery - 25 to 30 years<br/>Windmill - 30 years<br/>Factory Building - 30-60 years</p> <p>The Company reviews the residual values, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.</p> <p><b>2.7 Leases</b></p> <p>The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at the inception of a contract . A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.</p> <p>The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.</p> <p>The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.</p> <p>The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.</p> <p>The Company has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company</p> |



## Notes to the standalone financial statements for the year ended March 31, 2025

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|            | recognises the lease payments relating to those leases as an expense on a straight-line basis over the lease term.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>2.8</b> | <b>Revenue recognition</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|            | <b>i) Sale of goods</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|            | Revenue from sale of goods is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component. Revenue from the sale of goods is measured at the transaction price of the consideration received or receivable which includes fixed, variable or both amounts , (excluding amounts collected on behalf of third parties) net of returns and allowances, trade discounts and volume rebates." |
|            | <b>ii) Time and material</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|            | Revenue from time and material contracts are recognised as and when services are rendered to the customer. These are based on the efforts spent and rates agreed with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|            | <b>iii) Dividend and interest income</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|            | Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.                                                                                                                                                                                                                                                    |
|            | <b>iv) Other operating revenue</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|            | Income incidental to exports such as duty drawback, Merchandise Exports from India Scheme (MEIS), income from import entitlement and premium on sale of such entitlement are recognised on accrual basis in the year of exports based on eligibility when there is a reasonable probability of collection.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|          | <p><b>v) Insurance claims</b></p> <p>Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.</p> <p><b>2.9 Employee benefits</b></p> <p>Employee benefits include Provident Fund, Employee State Insurance, Gratuity Fund and Compensated Absences.</p> <p><b>a. Retirement benefit costs and termination benefits</b></p> <p>Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions.</p> <p>For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), are reflected in the Standalone balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.</p> <p><b>b. Defined benefit costs are categorised as follows</b></p> <ul style="list-style-type: none"> <li>-service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);</li> <li>-net interest expense or income; and</li> <li>-remeasurement</li> </ul> <p>For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the other comprehensive income. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India.</p> |



Notes to the standalone financial statements for the year ended March 31, 2025

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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|             | <p>The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.</p> <p>The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.</p> <p>A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.</p> <p><b>c. Short-term and other long term employee benefits</b></p> <p>A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.</p> <p>Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.</p> <p>Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.</p> |
| <b>2.10</b> | <p><b>Foreign currency transactions and translations</b></p> <p>Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).</p> <p>Non-monetary assets and liabilities measured in terms of historical cost in foreign currencies are not retranslated. Foreign currency gains and losses are reported on a net basis.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>2.11</b> | <p><b>Borrowing cost</b></p> <p>Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |


**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|             | <p>for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.</p> <p>Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>2.12</b> | <p><b>Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the net profit after tax and before other comprehensive income attributable to ordinary equity shareholders, by the weighted average number of equity shares outstanding during the period, adjusted for rights issue of equity shares during the period.</p> <p>Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.</p> <p>Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.</p> |
| <b>2.13</b> | <p><b>Provisions and contingencies</b></p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



## Notes to the standalone financial statements for the year ended March 31, 2025

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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|             | <p>of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.</p> <p>The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>2.14</b> | <p><b>Financial instruments</b></p> <p>A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the transaction value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, financial liabilities like loans and borrowings and payables are recognised net of directly attributable transaction costs.</p> <p><b>a) Non-derivative financial assets</b></p> <p><b>i) Financial assets at amortised cost</b></p> <p>A financial asset shall be measured at amortised cost if both of the following conditions are met:</p> <ul style="list-style-type: none"> <li>a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and</li> <li>b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.</li> </ul> <p>They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.</p> <p>The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.</p> |



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|          | <p>Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.</p> <p>Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.</p> <p><b>ii) Equity instruments at FVTOCI</b></p> <p>All equity instruments except Investments in subsidiaries are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.</p> <p>If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to statement of profit and loss.</p> <p><b>iii) Financial assets at FVTPL</b></p> <p>FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.</p> <p>In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.</p> <p>Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.</p> <p><b>iv) Derecognition of financial assets</b></p> <p>The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for</p> |



## Notes to the standalone financial statements for the year ended March 31, 2025

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.</p> <p>On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.</p> <p>On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.</p> <p><b>b) Non-derivative financial liabilities</b></p> <p><b>i) Financial liabilities at amortised cost</b></p> <p>Financial liabilities at amortised cost represented by borrowings, trade and other payables. Borrowings are initially recognized at net of transaction costs incurred subsequently carried at amortized cost using the effective interest rate method and all other financial liabilities are recognised at the transaction value.</p> <p><b>ii) Financial liabilities at FVTPL</b></p> <p>Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Finance costs' line item. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.</p> <p>For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and</p> |



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit or loss.</p> <p><b>iii) Derecognition of non-derivative financial liabilities</b></p> <p>The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.</p> <p><b>2.15 Fair Value Measurement</b></p> <p>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:</p> <ul style="list-style-type: none"> <li>i) In the principal market for the asset or liability, or</li> <li>ii) In the absence of a principal market, in the most advantageous market for the asset or liability.</li> </ul> <p>The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use."</p> <p>The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:"</p> |



Notes to the standalone financial statements for the year ended March 31, 2025

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.</p> <p>ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.</p> <p>iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.</p> <p>For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.</p> <p>For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.</p> <p>At initial recognition, the Company measures a financial asset, except trade receivable at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of Profit and Loss.</p> <p>For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, equity instruments at FVTOCI or fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL.</p> <p>The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.</p> |
| <b>2.16</b> | <p><b>Impairment</b></p> <p><b>a) Financial Assets</b></p> <p>In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |



**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>recognition.</p> <p>Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.</p> <p>ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider :</p> <ul style="list-style-type: none"> <li>i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.</li> <li>ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.</li> </ul> <p>As practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.</p> <p>ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:</p> <p>Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.</p> <p><b>b) Non-financial assets</b></p> <p>The Company assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.</p> <p>An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the</p> |



## Notes to the standalone financial statements for the year ended March 31, 2025

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.</p> <p>The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 2.17     | <p><b>Segment reporting</b></p> <p>The Managing Director of the Company has been identified as the Chief Operating Decision maker. The Company's operations relate to only one business segment, viz., Textiles and thus it has only one reportable business segment. The geographical segment information as required by Ind AS 108 - Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision maker for the purpose of making decisions about allocating resources and assessing its performance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 2.18     | <p><b>Non-Current Assets held for sale and Discontinued Operations</b></p> <p><b>a. Non-Current Assets held for sale</b></p> <p>The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuous use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.</p> <p>Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortized while they are classified as held for sale.</p> <p><b>b. Discontinued Operations</b></p> <p>Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. The Company re-presents the aforesaid disclosures in respect of discontinued operations for all prior periods presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.</p> |


**Notes to the standalone financial statements for the year ended March 31, 2025**

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2.19</b> | <p><b>Government grants</b></p> <p>Grants from the government are recognised when there is reasonable assurance that:(i) the Company will comply with the conditions attached to them; and(ii) the grant will be received."</p> <p>Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.</p> <p>Where the Company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.</p> <p>Government Grant is recognised in the Standalone Statement of Profit and Loss Account either as Other Operating Revenue or Other Income or adjusted against the expenses depending upon the nature of the grant.</p> |
| <b>2.20</b> | <p><b>Events after Reporting date</b></p> <p>Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>2.21</b> | <p><b>Recent Pronouncements</b></p> <p>Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.</p> <p>The Ministry of Corporate Affairs issued the amendments to the Companies (Indian Accounting Standards) Amendment Rules in August 2024 in which MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and lease back transactions, applicable from April 1, 2024.</p> <p>On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025.</p> <p>The Company has evaluated and assessed that the amendments does not have any material impact on the Financial Statements of the Company.</p>                                                                                                                                                                                                                                                                                                                                                                                                                           |



Notes to the standalone financial statements for the year ended March 31, 2025

3A Property, Plant and Equipment incl. Right-of-use Assets

(Rs. in Lakhs)

| Description of Assets                    | Right of Use - Land & Building | Own land | Building - own | Building on leasehold land | Plant and machinery | Office equipment | Furniture and fittings | Vehicles | Tools and implements | Total     |
|------------------------------------------|--------------------------------|----------|----------------|----------------------------|---------------------|------------------|------------------------|----------|----------------------|-----------|
| <b>I. Gross</b>                          |                                |          |                |                            |                     |                  |                        |          |                      |           |
| Balance as at April 1, 2023              | 489.57                         | 4,933.99 | 13,019.60      | 412.76                     | 45,707.23           | 418.35           | 446.55                 | 168.01   | 1.88                 | 65,597.94 |
| Additions                                | 63.02                          | -        | 390.11         | 202.96                     | 581.78              | 13.80            | 0.23                   | -        | -                    | 1,251.90  |
| Disposals                                | (63.99)                        | -        | -              | (109.32)                   | (629.82)            | (4.83)           | (0.23)                 | -        | -                    | (693.81)  |
| Transferred to assets held for sale *    | -                              | -        | -              | -                          | -                   | -                | -                      | -        | -                    | (114.38)  |
| Balance as at March 31, 2024             | 488.60                         | 4,933.99 | 13,409.71      | 506.40                     | 45,659.19           | 427.32           | 446.55                 | 168.01   | 1.88                 | 66,041.65 |
| Additions                                | 27.53                          | -        | 47.33          | -                          | 2,219.49            | 26.41            | 12.97                  | -        | -                    | 2,333.73  |
| Disposals                                | (0.75)                         | -        | -              | -                          | (417.98)            | -                | -                      | (2.44)   | -                    | (421.17)  |
| Reclassified from assets held for sale * | -                              | 56.72    | -              | -                          | -                   | -                | -                      | -        | -                    | 56.72     |
| Balance as at March 31, 2025             | 515.38                         | 4,990.71 | 13,457.04      | 506.40                     | 47,460.70           | 453.73           | 459.52                 | 165.57   | 1.88                 | 68,010.93 |
| <b>II. Accumulated depreciation</b>      |                                |          |                |                            |                     |                  |                        |          |                      |           |
| Balance as at April 1, 2023              | 309.89                         | -        | 3,001.80       | 103.77                     | 11,265.55           | 369.17           | 256.56                 | 76.54    | 0.09                 | 15,383.37 |
| Depreciation expenses for the year       | 66.68                          | -        | 470.64         | 42.08                      | 2,348.93            | 37.16            | 27.74                  | 11.88    | -                    | 3,005.10  |
| Disposals                                | (1.62)                         | -        | -              | (83.28)                    | (289.75)            | (2.42)           | (1.42)                 | -        | -                    | (289.75)  |
| Transferred to assets held for sale *    | -                              | -        | -              | -                          | -                   | -                | -                      | -        | -                    | (88.74)   |
| Balance as at March 31, 2024             | 374.95                         | -        | 3,472.44       | 62.57                      | 13,324.72           | 403.91           | 282.88                 | 88.41    | 0.09                 | 18,009.97 |
| Depreciation expenses for the year       | 36.74                          | -        | 472.97         | 14.91                      | 1,931.72            | 19.05            | 36.32                  | 10.76    | -                    | 2,522.47  |
| Disposals                                | -                              | -        | -              | -                          | (165.72)            | -                | (2.26)                 | -        | -                    | (167.98)  |
| Transferred to assets held for sale *    | -                              | -        | -              | -                          | -                   | -                | -                      | -        | -                    | -         |
| Balance as at March 31, 2025             | 411.69                         | -        | 3,945.41       | 77.48                      | 15,090.72           | 422.96           | 316.94                 | 99.17    | 0.09                 | 20,364.46 |
| <b>Net (I-II)</b>                        |                                |          |                |                            |                     |                  |                        |          |                      |           |
| Balance as at March 31, 2024             | 113.65                         | 4,933.99 | 9,937.27       | 443.83                     | 32,334.47           | 23.41            | 163.67                 | 79.60    | 1.79                 | 48,031.68 |
| Balance as at March 31, 2025             | 103.69                         | 4,990.71 | 9,511.63       | 428.92                     | 32,369.98           | 30.77            | 142.58                 | 66.40    | 1.79                 | 47,646.47 |

Amount pertaining to building on lease hold land comprised in the property, plant and equipment schedule represented by 2,52,841 equity shares of Rs. 10/- each of Section 8 Company and Leave and license agreement.

Refer Note 17 and 20 for the details of property, plant and equipments pledged against the borrowing of the Company.

\* Refer Note no 53 for Assets held for sale

(Rs. in Lakhs)

38

| Capital work in progress          | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------|----------------------|----------------------|
| Opening balance                   | 1,009.26             | 547.71               |
| Add: Additions during the year    | 1,509.07             | 1,215.34             |
| Less: Capitalised during the year | (1,009.26)           | (753.78)             |
| <b>Closing balance</b>            | <b>1,509.07</b>      | <b>1,009.26</b>      |


**Notes to the standalone financial statements for the year ended March 31, 2025**

(Rs. in Lakhs)

| Capital work in progress | Amount of Capital work in progress for a period of |           |           |           |          |
|--------------------------|----------------------------------------------------|-----------|-----------|-----------|----------|
|                          | < 1 Year                                           | 1-2 Years | 2-3 Years | > 3 Years | Total    |
| Projects in progress     |                                                    |           |           |           |          |
| As at March 31, 2025     | 1,509.07                                           | -         | -         | -         | 1,509.07 |
| As at March 31, 2024     | 1,009.26                                           | -         | -         | -         | 1,009.26 |

**Note:** There are no projects suspended as at March 31, 2025 and March 31, 2024. There are no items of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan in current and previous year.

**4.1 Investments**

(Rs. in Lakhs)

| Particulars                                                                                                                                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>I. Quoted Investments (fully paid) carried at fair value through other comprehensive income</b>                                                                     |                         |                         |
| Investments in equity instruments - others                                                                                                                             |                         |                         |
| i) 250 (PY: 250) Equity shares of Rs.10 each in Bannari Amman Sugars Limited                                                                                           | 9.09                    | 5.76                    |
| ii) 34 (PY: 34) Equity shares of Rs.10 each in Moil Limited                                                                                                            | 0.11                    | 0.09                    |
| <b>Total Quoted Investments (A)</b>                                                                                                                                    | <b>9.20</b>             | <b>5.85</b>             |
| <b>II. Unquoted investments (fully paid)</b>                                                                                                                           |                         |                         |
| <b>i) Investments in Equity instruments - subsidiaries (carried at cost)</b>                                                                                           |                         |                         |
| 10,000 (PY: 10,000) Equity shares of Rs.10 each in Bannari Infotech Private Limited (Formerly Bannari Amman Infinite Trendz Private Limited (wholly owned subsidiary)) | 1.00                    | 1.00                    |
| <b>ii) Investments in Equity instruments - others (carried at cost)</b>                                                                                                |                         |                         |
| 15,000 (PY: 15,000) Equity shares of Rs.10 each in OPG Metal Power Limited                                                                                             | 1.50                    | 1.50                    |
| 1,44,000 (PY: 1,44,000) Equity shares of Rs.11 each in OPG Power Generation Private Limited                                                                            | 16.56                   | 16.56                   |
| 1900 (PY: 300) Equity shares of Rs.100 each in Hypkrt Power Private Limited                                                                                            | 1.90                    | 0.30                    |
| 36,00,000 (PY: 36,00,000) Equity shares of Rs.10 each in Nellai renewables Private Limited                                                                             | 360.00                  | 360.00                  |
| <b>iii) Investments in Government securities (carried at cost)</b>                                                                                                     |                         |                         |
| Kisan Vikas Patra                                                                                                                                                      | 0.03                    | 0.03                    |
| <b>Total Unquoted Investments (B)</b>                                                                                                                                  | <b>380.99</b>           | <b>379.39</b>           |
| <b>Total (A) + (B)</b>                                                                                                                                                 | <b>390.19</b>           | <b>385.24</b>           |
| Aggregate cost of quoted investments                                                                                                                                   | 0.37                    | 0.37                    |
| Aggregate market value of quoted investments                                                                                                                           | 9.20                    | 5.85                    |
| Aggregate amount of unquoted investments                                                                                                                               | 380.99                  | 379.39                  |
| Aggregate amount of impairment in value of investments                                                                                                                 | -                       | -                       |



Notes to the standalone financial statements for the year ended March 31, 2025

5 Loans

(Rs. in Lakhs)

| Particulars                                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------|-------------------------|-------------------------|
| <b>Loans to related parties (Unsecured, considered good)</b> |                         |                         |
| Inter corporate deposit                                      | 550.00                  | 550.00                  |
| Interest on inter corporate deposit                          | 221.05                  | 171.55                  |
| <b>Total - Loans</b>                                         | <b>771.05</b>           | <b>721.55</b>           |

6 Other financial assets

(Rs. in Lakhs)

| Particulars                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Security deposits                     | 1,552.59                | 1,054.94                |
| <b>Total - Other financial assets</b> | <b>1,552.59</b>         | <b>1,054.94</b>         |

7 Other non-current assets

(Rs. in Lakhs)

| Particulars                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------|-------------------------|-------------------------|
| Capital advances                             | 23.12                   | 223.37                  |
| Advance to related parties                   | 115.08                  | 111.60                  |
| Advance tax and Tax deducted at source (net) | 56.01                   | 125.06                  |
| <b>Total - Other non-current assets</b>      | <b>194.21</b>           | <b>460.03</b>           |

8 Inventories

(Rs. in Lakhs)

| Particulars                      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------|-------------------------|-------------------------|
| Raw materials                    | 6,922.98                | 9,287.97                |
| Goods in transit (Raw materials) | 1,388.99                | 1,781.64                |
| Work-in-progress                 | 2,263.66                | 2,019.53                |
| Finished goods                   | 10,383.08               | 7,329.97                |
| Stores and spares                | 769.56                  | 729.29                  |
| <b>Total - Inventories</b>       | <b>21,728.27</b>        | <b>21,148.40</b>        |



**Notes to the standalone financial statements for the year ended March 31, 2025**

**9 Trade receivables**

(Rs. in Lakhs)

| Particulars                                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------------------|-------------------------|-------------------------|
| a) Trade receivable considered good - Unsecured                      | 15,737.10               | 16,916.07               |
| b) Trade receivable - which have significant increase in Credit Risk | 597.20                  | 552.24                  |
| c) Trade receivable - Credit impaired                                | 672.05                  | 717.01                  |
|                                                                      | <b>17,006.35</b>        | <b>18,185.32</b>        |
| Less: Allowance for expected credit loss                             | (1,269.25)              | (1,269.25)              |
| <b>Total - Trade receivables</b>                                     | <b>15,737.10</b>        | <b>16,916.07</b>        |

**Trade receivables ageing schedule**

(Rs. in Lakhs)

| Particulars                                                                      | Outstanding for the following periods from due date of payment |                      |           |           |                      |           |
|----------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------|-----------|-----------|----------------------|-----------|
|                                                                                  | Less than<br>6 months                                          | 6 months -<br>1 year | 1-2 years | 2-3 years | More than<br>3 years | Total     |
| <b>As on 31.03.2025</b>                                                          |                                                                |                      |           |           |                      |           |
| a) Undisputed Trade Receivables - considered good                                | 14,823.13                                                      | 376.85               | 64.51     | 10.92     | 77.97                | 15,353.38 |
| b) Undisputed Trade Receivables - which have significant increase in credit risk | 0.33                                                           | 23.86                | 29.33     | 6.14      | 110.34               | 169.99    |
| c) Undisputed Trade Receivables - credit impaired                                | -                                                              | 3.21                 | 23.30     | 87.21     | 338.68               | 452.40    |
| d) Disputed Trade Receivables - considered good                                  | -                                                              | 24.77                | 15.49     | -         | 343.46               | 383.72    |
| e) Disputed Trade Receivables - which have significant increase in credit risk   | -                                                              | 78.59                | 5.16      | -         | 343.46               | 427.21    |
| f) Disputed Trade Receivables - credit impaired                                  | -                                                              | 0.11                 | 31.98     | 52.45     | 135.11               | 219.65    |

| Particulars                                                                      | Outstanding for the following periods from due date of payment |                      |           |           |                      |           |
|----------------------------------------------------------------------------------|----------------------------------------------------------------|----------------------|-----------|-----------|----------------------|-----------|
|                                                                                  | Less than<br>6 months                                          | 6 months -<br>1 year | 1-2 years | 2-3 years | More than<br>3 years | Total     |
| <b>As on 31.03.2024</b>                                                          |                                                                |                      |           |           |                      |           |
| a) Undisputed Trade Receivables - considered good                                | 16,277.37                                                      | 138.77               | 12.90     | 14.11     | 95.64                | 16,538.78 |
| b) Undisputed Trade Receivables - which have significant increase in credit risk | 9.79                                                           | 76.22                | 7.59      | 7.94      | 103.49               | 205.02    |
| c) Undisputed Trade Receivables - credit impaired                                | -                                                              | 60.94                | 152.41    | 39.11     | 273.64               | 526.11    |
| d) Disputed Trade Receivables - considered good                                  | -                                                              | 32.89                | 0.94      | -         | 343.46               | 377.29    |
| e) Disputed Trade Receivables - which have significant increase in credit risk   | -                                                              | 3.65                 | 0.10      | -         | 343.46               | 347.22    |
| f) Disputed Trade Receivables - credit impaired                                  | -                                                              | 28.32                | 6.26      | -         | 156.33               | 190.90    |



## Notes to the standalone financial statements for the year ended March 31, 2025

### 10A Cash and cash equivalents

(Rs. in Lakhs)

| Particulars                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------|-------------------------|-------------------------|
| Balances with banks in current and cash credit account | 303.35                  | 779.13                  |
| Cheques, drafts on hand                                | 15.61                   | 3.00                    |
| Cash on hand                                           | 1.75                    | 5.23                    |
| <b>Total</b>                                           | <b>320.71</b>           | <b>787.36</b>           |

### 10A Bank balances other than above

(Rs. in Lakhs)

| Particulars                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------|-------------------------|-------------------------|
| Earmarked balances with banks               |                         |                         |
| a) Unclaimed dividend accounts              | 1.34                    | 1.91                    |
| b) Deposits with Banks held as margin money | 238.72                  | 9.32                    |
| <b>Total</b>                                | <b>240.06</b>           | <b>11.23</b>            |

### 11 Loans

(Rs. in Lakhs)

| Particulars                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------|-------------------------|-------------------------|
| Employee advances (Unsecured, considered good) | 41.23                   | 19.49                   |
| <b>Total</b>                                   | <b>41.23</b>            | <b>19.49</b>            |

### 12. Other Financial Assets

(Rs. in Lakhs)

| Particulars                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------|-------------------------|-------------------------|
| Interest accrued on deposits | 54.76                   | 25.59                   |
| TUF subsidy receivable       | 825.90                  | 665.01                  |
| Other Receivables            | 1,027.00                | 1,187.89                |
| <b>Total</b>                 | <b>1,907.66</b>         | <b>1,878.49</b>         |


**Notes to the standalone financial statements for the year ended March 31, 2025**
**13 Current Tax Assets (net)**

(Rs. in Lakhs)

| Particulars        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------|-------------------------|-------------------------|
| Current tax assets | 563.13                  | 171.36                  |
| <b>Total</b>       | <b>563.13</b>           | <b>171.36</b>           |

**14 Other current assets**

(Rs. in Lakhs)

| Particulars                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Prepaid expenses                                      | 994.10                  | 883.88                  |
| Advances to Suppliers                                 | 757.03                  | 607.25                  |
| Balances with government authorities :                |                         |                         |
| - Duty drawback and other exports benefits receivable | 299.08                  | 1,786.81                |
| - GST receivable                                      | 1,766.47                | 1,781.74                |
| - ESI Deposit                                         | 7.58                    | 7.58                    |
| Gratuity                                              | 171.74                  | 184.03                  |
| <b>Total</b>                                          | <b>3,996.00</b>         | <b>5,251.29</b>         |

**15 Equity**

(Rs. in Lakhs)

| Particulars                                                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Authorised share capital</b>                                                            |                         |                         |
| 15,00,00,000 Equity shares of Rs. 5 each<br>(PY: 15,00,00,000 Equity shares of Rs. 5 each) | 7,500.00                | 7,500.00                |
|                                                                                            | <b>7,500.00</b>         | <b>7,500.00</b>         |
| <b>Issued, Subscribed and fully paid up share capital</b>                                  |                         |                         |
| 6,48,41,871 Equity shares of Rs. 5 each<br>(PY: 6,48,41,871 Equity shares of Rs. 5 each)   | 3,242.09                | 3,242.09                |
|                                                                                            | <b>3,242.09</b>         | <b>3,242.09</b>         |

**i) Authorised Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

| Particulars                             | As at March 31, 2025 |                      | As at March 31, 2024 |                      |
|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                         | Number of<br>shares  | Amount<br>(in lakhs) | Number of<br>shares  | Amount<br>(in lakhs) |
| <b>Equity shares</b>                    |                      |                      |                      |                      |
| At the beginning of the period          | 15,00,00,000         | 7,500.00             | 10,00,00,000         | 5,000.00             |
| Add: Increase of shares during the year | -                    | -                    | 50,00,000            | 2,500.00             |
| <b>At the end of the period</b>         | <b>15,00,00,000</b>  | <b>7,500.00</b>      | <b>15,00,00,000</b>  | <b>7,500.00</b>      |



## Notes to the standalone financial statements for the year ended March 31, 2025

### ii) Paid up Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

| Particulars                          | As at March 31, 2025 |                   | As at March 31, 2024 |                   |
|--------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                      | Number of shares     | Amount (in lakhs) | Number of shares     | Amount (in lakhs) |
| <b>Equity shares</b>                 |                      |                   |                      |                   |
| At the beginning of the period       | 6,48,41,871          | 3,242.09          | 6,48,41,871          | 3,242.09          |
| Add: Issue of shares during the year | -                    | -                 | -                    | -                 |
| <b>At the end of the period</b>      | <b>6,48,41,871</b>   | <b>3,242.09</b>   | <b>6,48,41,871</b>   | <b>3,242.09</b>   |

### iii) Terms/rights and restrictions in respect of equity shares

The Company has issued only one class of equity share having a face value of Rs.5/- per share. The holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all preferential creditors and other creditors, in the order of priority. The distribution will be in proportion to the number of equity shares held by shareholders. The company declares and pays dividend in Indian Rupees. The dividend proposed, if any, by Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

### iv) Details of shares held by the holding company

| Name of the shareholders                             | No. of shares        |                      |
|------------------------------------------------------|----------------------|----------------------|
|                                                      | As at March 31, 2025 | As at March 31, 2024 |
| <b>Equity shares</b>                                 |                      |                      |
| Murugan Enterprise Private Limited (Holding company) | 3,51,91,255          | 3,51,91,255          |

### v) Shareholders holding more than 5% shares in the company :

| Name of the shareholder                              | As at March 31, 2025 |              | As at March 31, 2024 |              |
|------------------------------------------------------|----------------------|--------------|----------------------|--------------|
|                                                      | Number of shares     | % of holding | Number of shares     | % of holding |
| <b>Equity shares</b>                                 |                      |              |                      |              |
| Murugan Enterprise Private Limited (Holding company) | 3,51,91,255          | 54.27        | 3,51,91,255          | 54.27        |

### vi) Shareholding of Promoters

| Name of the shareholder                              | As at March 31, 2025 |              | As at March 31, 2024 |              |
|------------------------------------------------------|----------------------|--------------|----------------------|--------------|
|                                                      | Number of shares     | % of holding | Number of shares     | % of holding |
| Equity shares                                        |                      |              |                      |              |
| Murugan Enterprise Private Limited (Holding company) | 3,51,91,255          | 54.27        | 3,51,91,255          | 54.27        |
| S V Arumugam                                         | 6,88,869             | 1.06         | 6,88,869             | 1.06         |

\*There is no change in the shareholding of promoters during the year


**Notes to the standalone financial statements for the year ended March 31, 2025**
**16 Other Equity**

(Rs. in Lakhs)

| Particulars                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------|-------------------------|-------------------------|
| <b>a. Securities premium</b>                    |                         |                         |
| Opening balance                                 | 16,129.03               | 16,129.03               |
| Less : Rights issue expenses                    | (47.74)                 | -                       |
| <b>Closing balance</b>                          | <b>16,081.29</b>        | <b>16,129.03</b>        |
| <b>b. General reserve</b>                       |                         |                         |
| Opening balance                                 | 16,295.22               | 16,295.22               |
| Add : Transfer from Retained Earnings           | -                       | -                       |
| <b>Closing balance</b>                          | <b>16,295.22</b>        | <b>16,295.22</b>        |
| <b>c. Retained Earnings</b>                     |                         |                         |
| Opening balance                                 | 2,170.34                | 4,793.77                |
| Less: Dividend paid during the year             | -                       | -                       |
| Add : Profit / (loss) for the current year      | 3,686.05                | (2,623.43)              |
| <b>Closing balance</b>                          | <b>5,856.39</b>         | <b>2,170.34</b>         |
| <b>d. Other Comprehensive Income</b>            |                         |                         |
| Opening balance                                 | 130.13                  | 87.83                   |
| Add : Movement during the year                  | 13.38                   | 42.30                   |
| <b>Closing balance</b>                          | <b>143.51</b>           | <b>130.13</b>           |
| <b>e. Money received against share warrants</b> | <b>655.00</b>           | <b>-</b>                |
| <b>Total Other Equity (a+b+c+d+e)</b>           | <b>39,031.41</b>        | <b>34,724.72</b>        |

- Notes : A. Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.
- B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, Bonus issue, etc.
- C. Retained earnings do not contain any amount of revaluation reserve which was transferred to Retained earnings on the transition date, which may not be available for distribution.
- D. Other comprehensive income represents the cumulative gain/loss arising on remeasurement of defined benefit obligation and fair value changes of financial assets measured at FVTOCI. This would not be reclassified to Statement of Profit and Loss.
- E. The Company has issued 42,25,806 share warrants to promoters and non-promoters at a price of Rs. 62 each which are convertible into equity shares of face value Rs. 5 each within a period of 18 months from the date of allotment. During the year, a part amount representing 25% of the value has been received.



## 17 Borrowings

(Rs. in Lakhs)

| Particulars                                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------|-------------------------|-------------------------|
| <b>Secured Borrowings</b>                               |                         |                         |
| - Term loan from banks (Refer note 1 to 6 of Note - I)  | 19,743.51               | 23,649.70               |
| - Term loan from others (Refer note 7 of Note - I)      | 264.27                  | 376.58                  |
| Less : Current maturities of long term debt             | (6,921.67)              | (3,823.61)              |
| <b>Unsecured Borrowings</b>                             |                         |                         |
| - Loans from Related Parties (Refer note 8 of Note - I) | 1,200.00                | 1,700.00                |
| <b>Total - Borrowings</b>                               | <b>14,286.11</b>        | <b>21,902.67</b>        |

## Note : I

## Details of terms of repayment and security provided in respect of secured term loans :

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>1 ICICI Bank Limited</b>                |                         |                         |
| ICICI Bank Limited- GECLS                  | 2,496.33                | 2,786.60                |
| Less: Current maturities of long term debt | (696.65)                | (290.27)                |
| <b>Total</b>                               | <b>1,799.68</b>         | <b>2,496.33</b>         |

**Security for Term Loan - GECLS:**

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and second pari passu charge on the entire property, plant and equipment of the Company.

**Repayment:**

Term Loan (GECLS) : 48 monthly instalments starting from November 2024.

Rate of Interest : 9.25%.

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>2 Indian Bank</b>                       |                         |                         |
| i) Term Loan 1 (TUF & Non-TUF)             | -                       | 73.00                   |
| ii) Term Loan 2 (TUF & Non-TUF)            | 4,063.43                | 4,555.00                |
| iii) Term Loan 3 (TUF & Non-TUF)           | 3,686.00                | 3,862.00                |
| iv) Term Loan 4 (GECLS)                    | 3,053.19                | 4,163.44                |
| Less: Current maturities of long term debt | (4,523.25)              | (1,839.25)              |
| <b>Total</b>                               | <b>6,279.37</b>         | <b>10,814.19</b>        |



## Security for Term Loans 1, 2 & 3:

Pari passu First charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

## Security for GECLS Loan:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari, passu charge on the entire property, plant and equipment of the company.

## Repayment & Rate of Interest:

|                                                                     |                           |
|---------------------------------------------------------------------|---------------------------|
| Term Loan 1 : 6 Quarterly instalments starting from February 2023.  | Rate of Interest : 12.25% |
| Term Loan 2 : 15 Quarterly instalments starting from November 2022. | Rate of Interest : 12.55% |
| Term Loan 3 : 24 Quarterly instalments starting from May 2022.      | Rate of Interest : 12.80% |
| Term Loan 4 : 48 Monthly instalments starting from January 2024.    | Rate of Interest : 9.25%  |

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>3 DCB Bank Limited</b>                  |                         |                         |
| Term Loan                                  | -                       | 542.34                  |
| Less: Current maturities of long term debt | -                       | (542.34)                |
| <b>Total</b>                               | <b>-</b>                | <b>-</b>                |

## Security :

First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

## Repayment :

24 Monthly instalments starting from February 2023.

Rate of Interest : 10.25%

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>4 Indian overseas Bank</b>              |                         |                         |
| Term loan 1                                | 2,313.33                | 2,440.33                |
| Term loan 2 (GECLS)                        | 1,821.00                | 2,433.00                |
| Less: Current maturities of long term debt | (739.00)                | (583.19)                |
| <b>Total</b>                               | <b>3,395.33</b>         | <b>4,290.14</b>         |

**Security for Term Loan 1 :** First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

## Security for GECLS Loan:

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari passu charge on the entire property, plant and equipment of the company.

## Repayment and Rate of Interest :

Term Loan 1 : 19 Quarterly instalments starting from August 2023 with rate of interest: 11.55%

Term Loan 2 : 48 Monthly instalments starting from April 2024 with rate of interest : 9.25%



(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>5 Union Bank of India</b>               |                         |                         |
| Term Loan (GECLS)                          | 966.63                  | 1,221.00                |
| Less: Current maturities of long term debt | (305.25)                | (339.17)                |
| <b>Total</b>                               | <b>661.38</b>           | <b>881.83</b>           |

**Security :** Second pari passu charge on the entire property, plant and equipment of the Company and Second pari passu on the other current assets of the company and second pari passu charge on stocks and other current assets of the company.

**Repayment :** 36 Monthly instalments starting from June 2024.

**Rate of Interest :** 9.25%

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>6 Punjab National Bank</b>              |                         |                         |
| Term Loan (GECLS)                          | 1,343.60                | 1,573.00                |
| Less: Current maturities of long term debt | (393.25)                | (229.40)                |
| <b>Total</b>                               | <b>950.35</b>           | <b>1,343.60</b>         |

**Security :** Second pari passu charge on the entire property, plant and equipments of the Company and Second pari passu on the other current assets of the company and second pari passu charge on stocks and other current assets of the company.

**Repayment :** 48 monthly instalments starting from September 2024.

**Rate of Interest :** 9.25%

#### Term loan from others :

(Rs. in Lakhs)

| Particulars                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------|-------------------------|-------------------------|
| <b>7 SIPCOT Soft Loan</b>                      | 264.27                  | 487.93                  |
| Less: Government grant (Refer note (ii) below) | (264.27)                | (111.35)                |
| <b>Total</b>                                   | <b>-</b>                | <b>376.58</b>           |

i) First charge by way of equitable mortgage over factory land and building and hypothecation of other movable assets financed by SIPCOT for the expansion project ranking pari passu with other banks and property, plant and equipment of the expansion scheme of spinning units located at Velvarkottai Village, Dindigul, Weaving unit and Knitting unit at Karanampet, Coimbatore.

ii) The Government of Tamil Nadu in its order : G.O. Ms. No. 126, dated October 20, 2009, has granted an amount equivalent to net output VAT + CST paid through expansion project to Government as Investment Promotion Soft Loan for a period of 10 years, subject to terms and conditions mentioned in the Eligibility Certificate ID/SPA/BSML/2010 dated 30 April 2013. The soft loan will carry a nominal rate of 0.1% per annum. The soft loan availed during the F.Y. 2014-15, 2015-16 and 2016-17 is repayable on the 10<sup>th</sup> year from the date of availment. This is considered as Government grant and accordingly the loan amount is carried at amortised cost considering an effective interest rate of 12.16%. The Government grant income is recognised proportionately in relation to the interest expense.


**Borrowings from others**

(Rs. in Lakhs)

| Particulars                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------|-------------------------|-------------------------|
| <b>8 Unsecured Loans from Related Party</b>          |                         |                         |
| Murugan Enterprise Private Limited (Holding Company) | 1,200.00                | 1,700.00                |
| <b>Total</b>                                         | <b>1,200.00</b>         | <b>1,700.00</b>         |

Repayment on or before June 2027.

**Rate of Interest:** 10.00%.

**18 Lease liabilities - Non-current**

(Rs. in Lakhs)

| Particulars                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Lease liability on account of land and building lease | 27.45                   | 56.61                   |
| <b>Total</b>                                          | <b>27.45</b>            | <b>56.61</b>            |

**19 Other non current liabilities**

(Rs. in Lakhs)

| Particulars                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------|-------------------------|-------------------------|
| Government grant - Sipcot Soft loan          | -                       | 65.93                   |
| <b>Total - Other non current liabilities</b> | <b>-</b>                | <b>65.93</b>            |

**20 Borrowings**

(Rs. in Lakhs)

| Particulars                                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------|-------------------------|-------------------------|
| <b>Secured borrowings</b>                                    |                         |                         |
| Loans repayable on demand from banks (Refer Note II)         | 23,566.07               | 23,099.89               |
| Liability for bills discounted - from banks (Refer Note III) | 1,891.43                | 1,809.66                |
| Current maturities of long term borrowings                   | 6,921.67                | 3,823.61                |
| <b>Total</b>                                                 | <b>32,379.17</b>        | <b>28,733.16</b>        |

**Note - II**

(Rs. in Lakhs)

| Particulars                                                                                                                                                                                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>1) Bank of Maharashtra</b>                                                                                                                                                                            | 441.26                  | 357.48                  |
| Working capital limit: Rs. 500 lakhs                                                                                                                                                                     |                         |                         |
| Interest rate: 12.35 %                                                                                                                                                                                   |                         |                         |
| Security : First pari-passu charge by way of hypothecation of stock and book debts and all other current assets and second pari-passu charge on the entire property, plant and equipment of the Company. |                         |                         |
| <b>2) Bank of Bahrain and Kuwait B.S.C.</b>                                                                                                                                                              | -                       | 600.00                  |
| Working capital limit: Rs. 2,000 lakhs                                                                                                                                                                   |                         |                         |
| Non - fund based limit: Rs. 200 lakhs                                                                                                                                                                    |                         |                         |



Notes to the standalone financial statements for the year ended March 31, 2025

Note - II (Contd...)

(Rs. in Lakhs)

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Interest rate: 11.00%<br>Security : First pari-passu charge on the entire current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                                                                                                                                                           |                         |                         |
| <b>3) ICICI Bank Limited</b><br>Working capital limit: Rs. 3,000 lakhs<br>Non - fund based limit: Rs. 1,000 lakhs<br>Interest rate: 11.50%<br>Security : First pari-passu charge on Company's entire stock, consumable stores and spares and such other movables including book-debts, bills, outstanding monies, receivables both present and future and Second pari-passu charge on the entire property, plant and equipment of the Company. | 3,919.46                | 3,624.95                |
| <b>4) Indian Bank</b><br>Working capital limit: Rs. 5,200 lakhs<br>Interest rate: 12.70%<br>Security: First pari-passu charge on entire current assets of the Company and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                                                                              | 2,370.38                | 3,120.00                |
| <b>5) Indian Overseas Bank</b><br>Working capital limit: Fund based: Rs. 10,000 lakhs<br>Non - fund based limit: Rs. 2,500 lakhs<br>Interest rate: WCDL - 10.95% ; OCC - 12.15%<br>Security: First pari-passu charge on entire current assets of the Company and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                       | 9,408.43                | 7,138.18                |
| <b>6) Karur Vysya Bank Limited</b><br>Working capital limit: Rs. 1,250 lakhs<br>Interest rate: 11.05%<br>Security: First pari-passu charge on entire current assets of the Company and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                                                                 | 318.98                  | 389.30                  |
| <b>7) Punjab National Bank</b><br>Working capital limit: Rs. 5,800 lakhs<br>Non - fund based limit: Rs. 2,500 lakhs<br>Interest rate: 13.50%<br>Security: First pari-passu charge on entire current assets of the Company and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                          | 2,464.25                | 3,272.07                |
| <b>8) Union Bank of India</b><br>Working capital limit: Rs. 6,250 lakhs (PY: Rs. 6,750 lakhs)<br>Non - fund based limit: Rs. 1,235 lakhs (PY: Rs. 1,235 lakhs)<br>Interest rate: 10.85%<br>Security : First pari-passu charge on entire current assets of the Company and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                              | 3,447.12                | 2,912.02                |
| <b>9) DCB Bank Limited</b><br>Working capital limit: Rs. 2,500 lakhs<br>Interest rate: WCDL - 9.96% ; OCC - 11.20%<br>Security: First pari-passu charge on entire current assets of the Company and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                                                    | 1,196.19                | 1,685.89                |



**Notes to the standalone financial statements for the year ended March 31, 2025**

**Note - III**

**Liability for bills discounted from banks**

(Rs. in Lakhs)

| Particulars                                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------|-------------------------|-------------------------|
| Indian Overseas Bank                                     | 1,891.43                | 1,809.66                |
| <b>Total - Liability for bills discounted from banks</b> | <b>1,891.43</b>         | <b>1,809.66</b>         |

**21 Lease Liabilities - Current**

(Rs. in Lakhs)

| Particulars                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Lease liability on account of land and building lease | 32.95                   | 12.82                   |
| <b>Total</b>                                          | <b>32.95</b>            | <b>12.82</b>            |

**22 Trade Payable**

(Rs. in Lakhs)

| Particulars                                                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| a) Total outstanding dues of micro enterprises and small enterprises<br>(Refer note no 39) | 940.76                  | 2,652.90                |
| b) Total outstanding dues other than micro and small enterprises                           | 4,210.02                | 7,282.13                |
| <b>Total</b>                                                                               | <b>5,150.78</b>         | <b>9,935.03</b>         |

**Trade payables ageing schedule**

(Rs. in Lakhs)

| Particulars                  | Unbilled | Outstanding for the following periods from due date of payment |              |             |                      |                 |
|------------------------------|----------|----------------------------------------------------------------|--------------|-------------|----------------------|-----------------|
|                              |          | Less than<br>1 year                                            | 1-2 years    | 2-3 years   | More than<br>3 years | Total           |
| <b>As at March, 31, 2025</b> |          |                                                                |              |             |                      |                 |
| a) MSME                      | -        | 940.76                                                         | -            | -           | -                    | 940.76          |
| b) Others                    | -        | 4,152.73                                                       | 41.59        | 2.70        | 13.00                | 4,210.02        |
| c) Disputed dues - MSME      | -        | -                                                              | -            | -           | -                    | -               |
| d) Disputed dues - Others    | -        | -                                                              | -            | -           | -                    | -               |
| <b>Total</b>                 | <b>-</b> | <b>5,093.49</b>                                                | <b>41.59</b> | <b>2.70</b> | <b>13.00</b>         | <b>5,150.78</b> |



## Notes to the standalone financial statements for the year ended March 31, 2025

## Trade payables ageing schedule

(Rs. in Lakhs)

| Particulars                  | Unbilled | Outstanding for the following periods from due date of payment |              |              |                   |                 |
|------------------------------|----------|----------------------------------------------------------------|--------------|--------------|-------------------|-----------------|
|                              |          | Less than 1 year                                               | 1-2 years    | 2-3 years    | More than 3 years | Total           |
| <b>As at March, 31, 2024</b> |          |                                                                |              |              |                   |                 |
| a) MSME                      | -        | 2,652.90                                                       | -            | -            | -                 | 2,652.90        |
| b) Others                    | -        | 7,187.77                                                       | 79.11        | 11.03        | 4.22              | 7,282.13        |
| c) Disputed dues - MSME      | -        | -                                                              | -            | -            | -                 | -               |
| d) Disputed dues - Others    | -        | -                                                              | -            | -            | -                 | -               |
| <b>Total</b>                 | <b>-</b> | <b>9,840.67</b>                                                | <b>79.11</b> | <b>11.03</b> | <b>4.22</b>       | <b>9,935.03</b> |

## 23 Other Financial liabilities

(Rs. in Lakhs)

| Particulars                                          | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------------------------|----------------------|----------------------|
| Interest accrued on borrowings                       | 140.46               | 169.85               |
| Unpaid Dividend                                      | 1.34                 | 1.91                 |
| Security deposits received                           | 13.44                | 0.13                 |
| Contractually reimbursable expenses                  | 10.98                | 13.44                |
| Payable on purchase of property, plant and equipment | 2.00                 | 2.41                 |
| <b>Total - Other financial liabilities</b>           | <b>168.22</b>        | <b>187.74</b>        |

## 24 Other Current liabilities

(Rs. in Lakhs)

| Particulars                                                    | As at March 31, 2025 | As at March 31, 2024 |
|----------------------------------------------------------------|----------------------|----------------------|
| Advance from customers                                         | 396.14               | 410.82               |
| Advance received towards sale of property, plant and equipment | 94.30                | 94.30                |
| Government grant - Sipcot soft loan                            | 59.99                | 45.42                |
| Statutory Remittances                                          | 102.71               | 106.40               |
| Liability for Expenses                                         | 1,743.97             | 1,043.38             |
| <b>Total - Other Current Liabilities</b>                       | <b>2,397.11</b>      | <b>1,700.32</b>      |

## 25 Provisions

(Rs. in Lakhs)

| Particulars                     | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------|----------------------|----------------------|
| Provision for employee benefits |                      |                      |
| - Compensated absences          | 70.67                | 80.87                |
| - Bonus                         | 60.64                | 55.64                |
| Provision for income tax (net)  | 721.82               | -                    |
| <b>Total - Provisions</b>       | <b>853.13</b>        | <b>136.51</b>        |


**Notes to the standalone financial statements for the year ended March 31, 2025**
**26. Revenue from operations**

(Rs. in Lakhs)

| Particulars                                                  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>a) Sale of Products</b>                                   |                                   |                                   |
| <b>i. Manufactured goods</b>                                 |                                   |                                   |
| Yarn                                                         | 49,204.58                         | 52,679.61                         |
| Fabrics                                                      | 23,352.47                         | 25,602.93                         |
| Waste cotton                                                 | 6,811.80                          | 6,491.27                          |
| Made ups                                                     | 4,375.19                          | 3,674.39                          |
| <b>ii. Traded goods</b>                                      |                                   |                                   |
| Yarn                                                         | 215.05                            | -                                 |
| Cotton                                                       | 146.38                            | -                                 |
|                                                              | <b>84,105.47</b>                  | <b>88,448.20</b>                  |
| Less : Sales Discount                                        | 81.70                             | 79.85                             |
|                                                              | <b>84,023.77</b>                  | <b>88,868.35</b>                  |
| <b>b) Sale of Services</b>                                   |                                   |                                   |
| Sizing charges, CMT charges, knitting and processing charges | 3,163.33                          | 3,035.69                          |
|                                                              | <b>3,163.33</b>                   | <b>3,035.69</b>                   |
| <b>c) Other operating revenues</b>                           |                                   |                                   |
| Sale of scrap                                                | 290.00                            | 328.20                            |
| Yarn second sales                                            | 1.56                              | 73.74                             |
| Duty drawback and other export incentives                    | 673.08                            | 539.05                            |
| Others - Windmill carbon credit                              | 10.60                             | 6.85                              |
| Claims and Other receipts                                    | 573.52                            | -                                 |
|                                                              | <b>1,548.76</b>                   | <b>947.84</b>                     |
| <b>Total - Revenue from operations</b>                       | <b>88,735.86</b>                  | <b>92,351.88</b>                  |

**27. Other Income**

(Rs. in Lakhs)

| Particulars                                                  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------|-----------------------------------|-----------------------------------|
| a) Interest income (Refer Note (i) below)                    | 170.00                            | 100.91                            |
| b) Dividend Income from Long term Investments                | -                                 | -                                 |
| c) Net gain on foreign currency transactions and translation | 116.66                            | 86.49                             |
| d) Other non-operating income (Refer Note (ii) below)        | 7.60                              | 1,779.91                          |
| <b>Total - Other Income</b>                                  | <b>294.26</b>                     | <b>1,967.31</b>                   |



## Notes to the standalone financial statements for the year ended March 31, 2025

## Note

(Rs. in Lakhs)

| Particulars                                          | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>i) Interest income comprises:</b>                 |                                   |                                   |
| Interest on loans and advances                       | 49.50                             | 49.50                             |
| Interest on security deposits                        | 120.50                            | 51.41                             |
| <b>Total - Interest income</b>                       | <b>170.00</b>                     | <b>100.91</b>                     |
| <b>ii) Other non-operating income comprises :</b>    |                                   |                                   |
| Non-Competing fee                                    | -                                 | 1,446.00                          |
| Profit on sale of investment (Net)                   | -                                 | 14.96                             |
| Profit on sale of property plant and equipment (Net) | -                                 | 110.03                            |
| Agricultural Income                                  | 4.83                              | 3.63                              |
| Gain on termination of leases                        | 0.06                              | 4.75                              |
| Remission of Liability                               | -                                 | 47.85                             |
| Others - Sundry creditors written back               | 2.71                              | 150.75                            |
| Other receipts                                       | -                                 | 1.94                              |
| <b>Total - Other non-operating income</b>            | <b>7.60</b>                       | <b>1,779.91</b>                   |

## 28. Cost of materials consumed

(Rs. in Lakhs)

| Particulars                               | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-------------------------------------------|-----------------------------------|-----------------------------------|
| Opening stock                             | 10,813.32                         | 13,881.20                         |
| Add: Purchases                            | 61,391.28                         | 64,057.11                         |
|                                           | <b>72,204.60</b>                  | <b>77,938.31</b>                  |
| Less: Closing stock                       | 6,747.05                          | 10,813.32                         |
| <b>Total - Cost of materials consumed</b> | <b>65,457.55</b>                  | <b>67,124.99</b>                  |

## 29. Purchase of Stock-in Trade

(Rs. in Lakhs)

| Particulars                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------|-----------------------------------|-----------------------------------|
| Purchase of Stock-in Trade - Yarn              | 971.12                            | 103.99                            |
| <b>Total Purchase of Stock-in Trade - Yarn</b> | <b>971.12</b>                     | <b>103.99</b>                     |



**Notes to the standalone financial statements for the year ended March 31, 2025**

**30. Changes in inventories of finished goods and work-in-progress**

(Rs. in Lakhs)

| Particulars                                       | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Inventories at the end of the year :</b>       |                                   |                                   |
| Finished goods                                    | 10,383.08                         | 6,985.23                          |
| Work-in-progress                                  | 2,263.66                          | 2,012.31                          |
| <b>Total</b>                                      | <b>12,646.74</b>                  | <b>8,997.54</b>                   |
| <b>Inventories at the beginning of the year :</b> |                                   |                                   |
| Finished goods                                    | 6,985.23                          | 9,697.71                          |
| Work-in-progress                                  | 2,012.31                          | 1,934.22                          |
| <b>Total</b>                                      | <b>8,997.54</b>                   | <b>11,631.93</b>                  |
| <b>Net (increase) / decrease</b>                  | <b>(3,649.20)</b>                 | <b>2,634.39</b>                   |

**31. Employee benefits expense**

(Rs. in Lakhs)

| Particulars                                | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------|-----------------------------------|-----------------------------------|
| Salaries, wages and bonus                  | 6,058.76                          | 6,218.25                          |
| Director Remuneration                      | 60.00                             | 60.00                             |
| Contributions to provident and other funds | 605.43                            | 583.05                            |
| Staff welfare expenses                     | 1,361.24                          | 1,392.16                          |
| <b>Total - Employee Benefits Expense</b>   | <b>8,085.43</b>                   | <b>8,253.46</b>                   |

**32. Finance Costs**

(Rs. in Lakhs)

| Particulars                                                  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Interest expense on financial liabilities at amortised cost: |                                   |                                   |
| - Borrowings                                                 | 4,222.26                          | 4,634.64                          |
| - Operating lease liabilities                                | 6.35                              | 10.46                             |
| Other borrowing costs                                        | 273.55                            | 264.47                            |
| <b>Total - Finance costs</b>                                 | <b>4,502.16</b>                   | <b>4,909.57</b>                   |



## Notes to the standalone financial statements for the year ended March 31, 2025

### 33. Depreciation and amortization expense

(Rs. in Lakhs)

| Particulars                                          | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------------|-----------------------------------|-----------------------------------|
| a) Depreciation on Tangible assets                   | 2,485.73                          | 2,819.90                          |
| b) Depreciation on Right of Use assets               | 36.74                             | 66.68                             |
| <b>Total - Depreciation and amortization expense</b> | <b>2,522.47</b>                   | <b>2,886.58</b>                   |

### 34. Other Expenses

(Rs. in Lakhs)

| Particulars                                                     | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-----------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Rent including lease rentals                                    | 27.10                             | 7.90                              |
| Communication expenses                                          | 38.31                             | 30.83                             |
| Travelling and conveyance                                       | 110.20                            | 86.00                             |
| Printing and stationery                                         | 42.26                             | 37.03                             |
| Quality claim                                                   | 99.41                             | 56.56                             |
| Hank yarn obligation                                            | 13.71                             | 4.38                              |
| Business promotion expenses                                     | 11.82                             | 5.66                              |
| Donation                                                        | 0.37                              | 0.10                              |
| Water                                                           | 115.47                            | 49.30                             |
| Consumption of stores and spare parts                           | 2.18                              | 2.08                              |
| Manufacturing expenses                                          | 115.53                            | 116.49                            |
| Consumption of packing materials                                | 754.04                            | 704.78                            |
| Power, fuel and water charges                                   | 6,067.74                          | 5,843.97                          |
| Repairs and maintenance - Building                              | 71.49                             | 103.27                            |
| Repairs and maintenance - Machinery                             | 1,248.67                          | 1,227.91                          |
| Repairs and maintenance - Others                                | 469.50                            | 323.14                            |
| Insurance                                                       | 259.20                            | 303.40                            |
| Rates and taxes                                                 | 283.36                            | 337.90                            |
| Freight and forwarding charges                                  | 695.35                            | 692.66                            |
| Sales commission                                                | 606.44                            | 639.30                            |
| Legal and professional charges                                  | 199.10                            | 255.57                            |
| Security Service Charges                                        | 10.83                             | 18.07                             |
| Payments to auditors (Refer note (i) below)                     | 34.85                             | 33.25                             |
| Directors Sitting Fees                                          | 15.00                             | 5.30                              |
| Corporate Social Responsibility expenditure (Refer note 36)     | 1.20                              | 14.05                             |
| Agricultural Expenses                                           | 0.33                              | 1.12                              |
| Provision for bad and doubtful trade receivables                | -                                 | 17.93                             |
| Bad trade and other receivables, loans and advances written off | 46.51                             | 215.32                            |
| Net loss on foreign currency transactions and translation       | -                                 | 65.68                             |
| Loss on sale of property plant and equipment (Net)              | 21.23                             | -                                 |
| Miscellaneous expenses                                          | 49.94                             | 34.17                             |
| <b>Total - Other expenses</b>                                   | <b>11,411.14</b>                  | <b>11,233.12</b>                  |



**Notes to the standalone financial statements for the year ended March 31, 2025**

**Note (i) - Payments to auditors:**

(Rs. in Lakhs)

| Particulars                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Payments to Auditors comprises</b>          |                                   |                                   |
| - Statutory audit fees and Limited review fees | 24.00                             | 22.00                             |
| - Other Services                               | 10.10                             | 9.95                              |
| - Reimbursement of expenses                    | 0.75                              | 1.30                              |
| <b>Total</b>                                   | <b>34.85</b>                      | <b>33.25</b>                      |

**35. Details of Undisclosed Income, if any**

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**36. Corporate Social responsibility**

(Rs. in Lakhs)

| Particulars                                                | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Amount required to be spent by the Company during the year | -                                 | 12.12                             |
| Amount of expenditure incurred                             | 1.20                              | 14.05                             |
| Shortfall at the end of the year                           | -                                 | -                                 |
| <b>Total of Previous Years shortfall</b>                   | <b>-</b>                          | <b>-</b>                          |

**Nature of CSR Activities:**

The CSR initiatives of the Company aim towards inclusive development of the communities by promoting education and providing basic needs for the economically weaker section of the society.

**Note :**

- i) The Company has not made any contribution to Related parties in relation to CSR Expenditure during the year and previous year.

**37. Details of Crypto currency or Virtual currency, if any**

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.



## Notes to the standalone financial statements for the year ended March 31, 2025

## 38 Contingent liabilities and commitments (to the extent not provided for)

(Rs. in Lakhs)

| Particulars                                                                                      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>I) Contingent liabilities:</b>                                                                |                         |                         |
| <b>A) Claims against the Company not acknowledged as debts:-</b>                                 |                         |                         |
| a) TANGEDCO demands, pending in appeal                                                           | 1,814.80                | 1,505.18                |
| b) Income tax demands (already adjusted against refund)                                          | -                       | 5.12                    |
| <b>B) Contingent Liabilities On Account Of Guarantees :-</b>                                     |                         |                         |
| a) Guarantee issued in favour of supplier                                                        | 112.46                  | 112.46                  |
| <b>II. Commitments</b>                                                                           |                         |                         |
| Estimated amount of contracts remaining to be executed on capital account and not provided for : |                         |                         |
| a. Tangible Assets                                                                               | 1,823.32                | 1,429.67                |

## 39 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

| Particulars                                                                                                                                                                                                                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of the period                                                                                                                                 |                         |                         |
| - Principal amount due to micro and small enterprise                                                                                                                                                                                        | 940.76                  | 2,652.90                |
| - Interest due to micro and small enterprise                                                                                                                                                                                                | -                       | -                       |
| ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period              | -                       | -                       |
| iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | -                       | -                       |
| iv) Interest accrued and remaining unpaid at the end of the period                                                                                                                                                                          | -                       | -                       |
| v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises                                                                              | -                       | -                       |

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.



**Notes to the standalone financial statements for the year ended March 31, 2025**

**40 Employee benefit plans**

**A. Defined contribution plans - provident fund and employee state insurance**

The Company makes Provident Fund and Employee state insurance scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised the following contributions in the Statement of profit and loss :

(Rs. in Lakhs)

| Particulars              | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------|-----------------------------------|-----------------------------------|
| Provident fund           | 545.39                            | 466.02                            |
| Employee state insurance | 93.36                             | 121.08                            |

**B. Defined benefit plan - gratuity**

In accordance with applicable Indian laws, the Company provides for gratuity, a defined benefit retirement plan (Gratuity plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Company. The Company provides the gratuity benefit through annual contributions to a fund managed by the Insurer included as part of 'Contribution to provident and other funds in Note 31 Employee benefits expense. Under this plan, the settlement obligation remains with the Company.

**Description of Risk Exposures**

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- Interest Rate Risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- Demographic Risk:** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2025 by Mr. N.Srinivasan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



## Notes to the standalone financial statements for the year ended March 31, 2025

The following table sets out the funded status of the gratuity scheme:

(Rs. in Lakhs)

| Particulars                                                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Components of employer expense</b>                                          |                                   |                                   |
| Current service cost                                                           | 86.69                             | 84.13                             |
| Interest cost                                                                  | 44.72                             | 48.29                             |
| Expected return on plan assets                                                 | (59.62)                           | (59.22)                           |
| <b>Recognised in statement of profit and loss</b>                              | <b>71.79</b>                      | <b>73.20</b>                      |
| Re-measurement - actuarial (gain)/loss recognised in OCI                       | (15.41)                           | (66.55)                           |
| <b>Total expense recognised in the Statement of total comprehensive income</b> | <b>56.38</b>                      | <b>6.65</b>                       |
| <b>Other Comprehensive Income (OCI)</b>                                        |                                   |                                   |
| Actuarial (gain)/loss due to DBO experience                                    | (44.43)                           | (90.14)                           |
| Actuarial (gain)/loss due to DBO assumption changes                            | 20.21                             | 16.27                             |
| Actuarial (gain)/loss arising during period                                    | (24.22)                           | (73.87)                           |
| Actual return on plan assets (greater)/less interest on plan assets            | 8.81                              | 7.32                              |
| <b>Actuarial (gains)/losses recognized in OCI</b>                              | <b>(15.41)</b>                    | <b>(66.55)</b>                    |
| <b>Defined benefit cost</b>                                                    |                                   |                                   |
| Service cost                                                                   | 86.69                             | 84.13                             |
| Net interest on net defined benefit liability / (asset)                        | (14.90)                           | (10.93)                           |
| Actuarial (gains)/losses recognized in OCI                                     | (15.41)                           | (66.55)                           |
| <b>Defined benefit cost</b>                                                    | <b>56.38</b>                      | <b>6.65</b>                       |
| <b>Change in defined benefit obligation (DBO) during the year</b>              |                                   |                                   |
| Present value of DBO at beginning of the year                                  | 652.76                            | 684.55                            |
| Current service cost                                                           | 86.69                             | 84.13                             |
| Interest cost                                                                  | 44.72                             | 48.29                             |
| Actuarial (gains)/losses                                                       | (24.22)                           | (73.87)                           |
| Benefits paid                                                                  | (68.48)                           | (90.34)                           |
| <b>Present value of DBO at the end of the year</b>                             | <b>691.47</b>                     | <b>652.76</b>                     |
| <b>Actual contribution and benefit payments for year</b>                       |                                   |                                   |
| Actual benefit payments                                                        | 68.48                             | 90.34                             |
| Actual contributions                                                           | 44.09                             | 91.43                             |
| <b>Change in fair value of assets during the year</b>                          |                                   |                                   |
| Plan assets at beginning of the year                                           | 836.79                            | 783.79                            |
| Expected return on plan assets                                                 | 59.62                             | 59.22                             |
| Actual company contributions                                                   | 44.09                             | 91.43                             |
| Actuarial gain / (loss)                                                        | (8.81)                            | (7.32)                            |
| Benefits paid                                                                  | (68.48)                           | (90.34)                           |
| <b>Plan assets at the end of the year</b>                                      | <b>863.21</b>                     | <b>836.79</b>                     |
| Actual return on plan assets                                                   | 50.81                             | 51.90                             |
| <b>Current and Non-Current Asset / Liability portion</b>                       |                                   |                                   |
| Current Asset / (Liability)                                                    | 171.74                            | 184.03                            |
| <b>Net asset / (liability) recognised in the Balance Sheet :</b>               |                                   |                                   |
| Present value of defined benefit obligation                                    | (691.47)                          | (652.76)                          |



## Notes to the standalone financial statements for the year ended March 31, 2025

The following table sets out the funded status of the gratuity scheme (Contd...)

(Rs. in Lakhs)

| Particulars                                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|----------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Fair value of plan assets                                      | 863.21                            | 836.79                            |
| Funded status (Surplus / (Deficit))                            | 171.74                            | 184.03                            |
| <b>Net asset / (liability) recognised in the Balance Sheet</b> | <b>171.74</b>                     | <b>184.03</b>                     |
| <b>Composition of the plan assets is as follows:</b>           |                                   |                                   |
| Government securities                                          | -                                 | -                                 |
| Debentures and bonds                                           | -                                 | -                                 |
| Fixed deposits                                                 | -                                 | -                                 |
| Insurer managed funds*                                         | 100%                              | 100%                              |
| <b>Total</b>                                                   | <b>863.21</b>                     | <b>836.79</b>                     |

\* Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

| Particulars                    | For the year ended March 31, 2025                 | For the year ended March 31, 2024                 |
|--------------------------------|---------------------------------------------------|---------------------------------------------------|
| <b>Actuarial assumptions</b>   |                                                   |                                                   |
| Discount rate                  | 6.85%                                             | 7.23%                                             |
| Expected return on plan assets | 7.23%                                             | 7.55%                                             |
| Retirement age                 | 58                                                | 58                                                |
| Mortality rate                 | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate |
| Attrition rate                 | 5.00%                                             | 5.00%                                             |
| Salary escalation              | 5.00%                                             | 5.00%                                             |

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

### Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Rs. in Lakhs)

| Gratuity Plan                                                         | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------------------------------------------|----------------------|----------------------|
| Estimate value of obligation if discount rate is taken 1% higher      | 645.53               | 608.91               |
| Estimate value of obligation if discount rate is taken 1% lower       | 744.69               | 703.62               |
| Estimate value of obligation if salary growth rate is taken 1% higher | 743.49               | 702.55               |
| Estimate value of obligation if salary growth rate is taken 1% lower  | 645.85               | 609.18               |
| Estimate value of obligation if attrition rate is taken 1% higher     | 694.76               | 657.59               |
| Estimate value of obligation if attrition rate is taken 1% lower      | 687.58               | 647.10               |



## Notes to the standalone financial statements for the year ended March 31, 2025

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

### Maturity profile of defined benefit obligation:

(Rs. in Lakhs)

| Maturity profile, if it ensues | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------|-------------------------|-------------------------|
| 1 Year                         | 39.60                   | 56.68                   |
| 2 Year                         | 36.66                   | 33.39                   |
| 3 Year                         | 40.81                   | 32.56                   |
| 4 Year                         | 48.35                   | 34.34                   |
| 5 Year                         | 38.70                   | 40.20                   |
| 6-10 years                     | 143.55                  | 135.82                  |
| Above 10 Years                 | 343.80                  | 319.76                  |

### Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity liability occurring during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

### Experience Adjustments:

(Rs. in Lakhs)

| Particulars                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 1. Defined Benefit Obligation                              | 691.47                  | 652.76                  | 684.55                  | 606.62                  | 461.59                  |
| 2. Fair value of plan assets                               | 863.21                  | 836.79                  | 783.79                  | 616.80                  | 617.20                  |
| 3. Surplus/(Deficit)                                       | 171.74                  | 184.03                  | 99.24                   | 10.18                   | 155.61                  |
| 4. Experience adjustment on plan liabilities ((Gain)/Loss) | (44.43)                 | (90.13)                 | (31.31)                 | 81.85                   | (69.48)                 |
| 5. Experience adjustment on plan assets (Gain/(Loss))      | (8.81)                  | (7.32)                  | 69.55                   | (6.74)                  | (2.48)                  |

## 41 Segment Reporting

### a) Primary business segment information

The Company's operations relate to only one business segment, viz., Textiles. Accordingly, this is the only reportable business segment.


**Notes to the standalone financial statements for the year ended March 31, 2025**

## b) Secondary geographic segment information

(Rs. in Lakhs)

| Geographic Segment                          | For the year ended<br>March 31, 2025 | For the year ended<br>March 31, 2024 |
|---------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Revenue from Continuing Operations</b>   |                                      |                                      |
| Outside India                               | 6,811.57                             | 7,946.69                             |
| India                                       | 81,924.29                            | 84,405.19                            |
| <b>Revenue from Discontinued Operations</b> |                                      |                                      |
| Outside India                               | 164.70                               | 2,654.99                             |
| India                                       | 164.33                               | 1,101.99                             |
| <b>Total</b>                                | <b>89,064.89</b>                     | <b>96,108.86</b>                     |

All non-current assets of the Company are located in India.

c) There is no single external customer from whom Revenue from transactions exceed 10 % of the Company's total revenue.

**42 Related party transactions**
**A. Details of related parties:**

| Description of relationship                                                               | Name of related parties                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|-------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Holding company                                                                           | Murugan Enterprise Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Subsidiaries                                                                              | Young Brand Apparel Private Limited (till 5.6.2024)<br>Young Brand Global Private Limited (till 5.6.2024)<br>Bannari Infotech Private Limited (formerly known as Bannari Amman Infinite Trendz Private Limited)                                                                                                                                                                                                                                                                               |
| Enterprises in which the Key management Personnel or relatives have significant influence | Anamallais Automobiles Private Limited<br>Anamallais Agencies Private Limited<br>Anamallais Motors Private Limited<br>Shiva Automobiles Private Limited<br>Vedanayagam Oil Company<br>Sakthi Murugan Transports Private Limited<br>Jahnvi Motor Private Limited<br>Coimbatore Anamallais Agencies Private Limited<br>Bannari Amman Flour Mill Private Limited<br>Bannari Amman Retails Private Limited<br>Shiva Mills Limited (W.e.f 03.09.2024)<br>Shiva Texyarn Limited (w.e.f. 03.09.2024) |


**Notes to the standalone financial statements for the year ended March 31, 2025**
**A. Details of related parties: (Contd...)**

| Description of relationship    | Name of related parties                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key Management Personnel (KMP) | Sri S V Arumugam, Managing Director<br>Sri N Krishnaraj, Company Secretary<br>Sri S Seshadri, Chief Financial Officer<br>Dr K R Thillainathan, Director (upto 25.8.2024)<br>Sri S Palaniswami, Director (upto 25.8.2024)<br>Sri K Sadhasivam, Director<br>Smt S Sihamani, Director<br>Smt Priya Bhansali, Director (w.e.f 29.5.2024)<br>Smt Sadhana Vidhya Shankar, Director, (w.e.f 3.9.2024)<br>Sri K P Ramakrishnan, Director, (w.e.f 29.5.2024)<br>Sri S K Sundararaman, Director, (w.e.f 3.9.2024)<br>Sri Tharanipathy Rajkumar, Director, (w.e.f 3.9.2024) |
| Relative of KMP                | Smt A Umadevi<br>Sri A Senthil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

**B. Details of transactions during the year and balance outstanding as at the balance sheet date:**

(Rs. in Lakhs)

| Particulars                          | Related Party                         | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|---------------------------------------|----------------------|----------------------|
| <b>Transactions during the year:</b> |                                       |                      |                      |
| Sale of yarn                         | Young Brand Apparel Private Limited   | 36.91                | 12.37                |
| Sale of fabric                       | Young Brand Apparel Private Limited   | 73.74                | 31.19                |
|                                      | Shiva Texyarn Limited                 | 72.16                | -                    |
| Scrap sales                          | Shiva Texyarn Limited                 | 4.07                 | -                    |
| Sales return of conversion charges   | Young Brand Apparel Private Ltd       | -                    | 0.06                 |
| Purchase of Fabric and Trims         | Young Brand Apparel Private Ltd       | -                    | 35.20                |
| Purchase return of Fabric and Trims  | Young Brand Apparel Private Ltd       | -                    | 2.11                 |
| Commission Paid                      | Bannari Amman Retails Private Limited | -                    | 38.36                |
| Conversion/Job work income           | Young Brand Apparel Private Limited   | -                    | 30.66                |
|                                      | Shiva Texyarn Limited                 | 8.78                 |                      |



**Notes to the standalone financial statements for the year ended March 31, 2025**

**B. Details of transactions during the year and balance outstanding as at the balance sheet date: (Contd...)**

(Rs. in Lakhs)

| Particulars                        | Related Party                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------|---------------------------------------------------|-------------------------|-------------------------|
| Purchase of yarn                   | Shiva Mills Limited                               | 123.13                  | -                       |
|                                    | Shiva Texyarn Limited                             | 11.88                   | -                       |
| Fabric Processing charges          | Shiva Texyarn Limited                             | 0.27                    | -                       |
| Sales return of processing charges | Young Brand Apparel Private Limited               | -                       | 38.58                   |
| Interest received                  | Bannari Infotech Private Limited                  | 49.50                   | 49.50                   |
| Vehicle maintenance paid           | Shiva Automobiles Private Limited                 | 6.10                    | 6.24                    |
|                                    | Jahnvi Motor Private Limited                      | 5.13                    | 6.30                    |
|                                    | Coimbatore Anamallais Agencies<br>Private Limited | -                       | 0.01                    |
| Staff quarters manintenance        | Shiva Mills Limited                               | 7.08                    | -                       |
| Processing charges received        | Young Brand Apparel Private Limited               | -                       | 1,024.26                |
| Purchase of PPE                    | Young Brand Apparel Private Limited               | -                       | 5.90                    |
| Sale of Fixed Assets               | Young Brand Apparel Private Limited               | -                       | 31.28                   |
| Purchase of fuel                   | Vedanayagam Oil Company                           | 1.74                    | 3.31                    |
| Rent paid                          | Anamallais Automobiles Private Limited            | 14.23                   | 14.73                   |
|                                    | Sakthi Murugan Transports Private Limited         | 4.64                    | 4.76                    |
|                                    | Smt A Umadevi                                     | 12.00                   | 12.00                   |
| Advances given                     | Bannari Infotech Private Limited                  | 7.99                    | 4.20                    |
|                                    | Bannari Amman Retails Private Limited             | 0.44                    | -                       |
| Advances repaid                    | Bannari Amman Retails Private Limited             | -                       | 34.00                   |
| Inter corporate deposits repaid    | Murugan Enterprise Private Ltd                    | 500.00                  | -                       |
| Interest paid                      | Murugan Enterprise Private Ltd                    | 149.86                  | 170.47                  |
| Remuneration of KMP                | Sri S V Arumugam, Managing Director               | 60.00                   | 60.00                   |
|                                    | Sri N Krishnaraj, Company Secretary               | 24.55                   | 21.84                   |
|                                    | Sri S Seshadri, Chief Financial Officer           | 23.39                   | 22.29                   |



Notes to the standalone financial statements for the year ended March 31, 2025

B. Details of transactions during the year and balance outstanding as at the balance sheet date: (Contd...)

(Rs. in Lakhs)

| Particulars         | Related Party                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------|--------------------------------------|-------------------------|-------------------------|
| Sitting fees to KMP | Sri C Sivasamy, Director             | 1.85                    | 0.70                    |
|                     | Dr K R Thillainathan, Director       | 0.70                    | 1.30                    |
|                     | Sri S Palaniswami, Director          | 0.20                    | 1.30                    |
|                     | Sri K Sadhasivam, Director           | 2.45                    | 1.30                    |
|                     | Smt S Sihamani, Director             | 1.85                    | 0.80                    |
|                     | Smt Priya Bhansali, Director         | 2.35                    | -                       |
|                     | Smt Sadhana Vidhya Shankar, Director | 1.75                    | -                       |
|                     | Sri K P Ramakrishnan, Director       | 2.60                    | -                       |
|                     | Sri S K Sundararaman, Director       | 0.25                    | -                       |
|                     | Sri Tharanipathy Rajkumar, Director  | 1.00                    | -                       |

B. Details of transactions during the year and balance outstanding as at the balance sheet date:

(Rs. in Lakhs)

| Particulars                                  | Related Party                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------|-------------------------------------------|-------------------------|-------------------------|
| <b>Balances outstanding as at year end :</b> |                                           |                         |                         |
| <b>Receivables</b>                           |                                           |                         |                         |
|                                              | Young Brand Apparel Private Limited       | 56.10                   | 520.23                  |
|                                              | Bannari Amman Retails Private Limited     | 33.27                   | 32.82                   |
|                                              | Bannari Infotech Private Limited          | 1,076.50                | 1,023.96                |
|                                              | Anamallais Automobiles Private Limited    | 0.27                    | 0.27                    |
|                                              | Anamallais Agencies Private Limited       | 0.02                    | 0.02                    |
|                                              | Anamallais Motors Private Limited         | 0.21                    | 0.21                    |
|                                              | Bannari Amman Flour Mill Private Limited  | 0.02                    | 0.02                    |
|                                              | Shiva Texyarn Limited                     | 47.27                   | -                       |
| <b>(Payables)</b>                            |                                           |                         |                         |
|                                              | Vedanayagam Oil Company                   | (0.06)                  | (0.11)                  |
|                                              | Sakthi Murugan Transports Private Limited | (0.51)                  | (0.50)                  |
|                                              | Anamallais Automobiles Private Limited    | (0.60)                  | (2.11)                  |
|                                              | Murugan Enterprise Private Limited        | (1,200.00)              | (1,712.99)              |
|                                              | Shiva Automobiles Private Limited         | (1.14)                  | -                       |
|                                              | Shiva Mills Limited                       | (32.09)                 | -                       |
|                                              | Smt A Umadevi                             | (0.90)                  | (1.00)                  |
|                                              | Shiva Texyarn Limited                     | (12.83)                 | -                       |

**Note:** i) Related party relationship is as identified by the Company on the basis of information available with the Company and relied upon by the Auditors.

ii) The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.


**Notes to the standalone financial statements for the year ended March 31, 2025**
**43 Earnings per equity share**

| Particulars                                                                                     | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Par value per equity share (Rs.)                                                                | 5.00                              | 5.00                              |
| Weighted Average number of Equity Shares outstanding during the year (Nos.)                     | 6,48,41,871                       | 6,48,41,871                       |
| Profit / (loss) from Continuing operations attributable to equity shareholders (Rs. In Lakhs)   | (117.78)                          | (2,063.26)                        |
| Basic and Diluted EPS for Profit / (loss) from Continuing operations (Rs.)                      | (0.18)                            | (3.18)                            |
| Profit / (loss) from discontinued operations attributable to equity shareholders (Rs. In Lakhs) | 3,803.83                          | (560.17)                          |
| Basic and Diluted EPS for Profit / (loss) from Discontinued operations (Rs.)                    | 5.87                              | (0.86)                            |
| Profit/(Loss) for the period (Rs. in lakhs)                                                     | 3,686.05                          | (2,623.43)                        |
| Basic and Diluted EPS (Rs.)                                                                     | 5.68                              | (4.04)                            |

**44 Income tax recognised :**

(Rs. in Lakhs)

| Particulars                                                        | For the year ended March 31, 2025 |                            | For the year ended March 31, 2024 |                            |
|--------------------------------------------------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------------|
|                                                                    | Statement of Profit and Loss      | Other comprehensive income | Statement of Profit and Loss      | Other comprehensive income |
| <b>For continuing operations</b>                                   |                                   |                            |                                   |                            |
| <b>Current tax :</b>                                               |                                   |                            |                                   |                            |
| In respect of current year                                         | -                                 | -                          | -                                 | -                          |
| <b>Deferred tax :</b>                                              |                                   |                            |                                   |                            |
| In respect of current year                                         | (152.77)                          | 5.38                       | (763.65)                          | 23.25                      |
| <b>Income tax expense / (savings) for continuing operations</b>    | <b>(152.77)</b>                   | <b>5.38</b>                | <b>(763.65)</b>                   | <b>23.25</b>               |
| <b>For discontinuing operations</b>                                |                                   |                            |                                   |                            |
| <b>Current tax :</b>                                               |                                   |                            |                                   |                            |
| In respect of current year                                         | 721.82                            | -                          | -                                 | -                          |
| <b>Deferred tax :</b>                                              |                                   |                            |                                   |                            |
| In respect of current year                                         | (134.78)                          | -                          | (300.89)                          | -                          |
| <b>Income tax expense / (savings) for discontinuing operations</b> | <b>587.04</b>                     | <b>-</b>                   | <b>(300.89)</b>                   | <b>-</b>                   |
| <b>Total income tax expense / (savings)</b>                        | <b>434.27</b>                     | <b>5.38</b>                | <b>(1,064.54)</b>                 | <b>23.25</b>               |



## Notes to the standalone financial statements for the year ended March 31, 2025

## Movement in deferred tax balances

(Rs. in Lakhs)

| Particulars                                                                                           | Opening Balance   | Recognised in Profit and Loss | Recognised in other comprehensive income | Others   | Closing Balance   |
|-------------------------------------------------------------------------------------------------------|-------------------|-------------------------------|------------------------------------------|----------|-------------------|
| <b>For the year ended March 31, 2025</b>                                                              |                   |                               |                                          |          |                   |
| <b>Tax effect of items constituting deferred tax (asset)</b>                                          |                   |                               |                                          |          |                   |
| Provision for doubtful trade receivables                                                              | (443.53)          | -                             | -                                        | -        | (443.53)          |
| Provision for compensated absences and gratuity and fair value of gain / (loss) on equity instruments | 81.43             | (36.96)                       | 5.38                                     | -        | 49.85             |
| Brought forward & current year losses                                                                 | (3,398.96)        | 329.00                        | -                                        | -        | (3,069.96)        |
| Minimum alternate tax (net)                                                                           | (4,743.28)        | (721.82)                      | -                                        | -        | (5,465.10)        |
| Others                                                                                                | 33.35             | 1.07                          | -                                        | -        | 34.42             |
| <b>Tax effect of items constituting deferred tax (asset)</b>                                          | <b>(8,470.99)</b> | <b>(428.72)</b>               | <b>5.38</b>                              | <b>-</b> | <b>(8,894.31)</b> |
| <b>Tax effect of items constituting deferred tax liability</b>                                        |                   |                               |                                          |          |                   |
| On difference between book balance and tax balance of fixed assets                                    | 9,812.60          | 141.16                        | -                                        | -        | 9,953.76          |
| <b>Tax effect of items constituting deferred tax liability</b>                                        | <b>9,812.60</b>   | <b>141.16</b>                 | <b>-</b>                                 | <b>-</b> | <b>9,953.76</b>   |
| <b>Net Deferred tax (asset) / liability</b>                                                           | <b>1,341.61</b>   | <b>(287.56)</b>               | <b>5.38</b>                              | <b>-</b> | <b>1,059.43</b>   |
| <b>For the year ended March 31, 2024</b>                                                              |                   |                               |                                          |          |                   |
| <b>Tax effect of items constituting deferred tax (asset)</b>                                          |                   |                               |                                          |          |                   |
| Provision for doubtful trade receivables                                                              | (437.26)          | (6.27)                        | -                                        | -        | (443.53)          |
| Provision for compensated absences and gratuity and fair value of gain / (loss) on equity instruments | (13.03)           | 71.20                         | 23.25                                    | -        | 81.43             |
| Brought forward & current year losses                                                                 | (1,916.91)        | (1,482.05)                    | -                                        | -        | (3,398.96)        |
| Minimum alternate tax (net)                                                                           | (4,943.28)        | 200.00                        | -                                        | -        | (4,743.28)        |
| Others                                                                                                | 31.89             | 1.46                          | -                                        | -        | 33.35             |
| <b>Tax effect of items constituting deferred tax (asset)</b>                                          | <b>(7,278.60)</b> | <b>(1,215.65)</b>             | <b>23.25</b>                             | <b>-</b> | <b>(8,470.99)</b> |
| <b>Tax effect of items constituting deferred tax liability</b>                                        |                   |                               |                                          |          |                   |
| On difference between book base and tax base of property, plant and equipment                         | 9,661.49          | 151.11                        | -                                        | -        | 9,812.60          |
| <b>Tax effect of items constituting deferred tax liability</b>                                        | <b>9,661.49</b>   | <b>151.11</b>                 | <b>-</b>                                 | <b>-</b> | <b>9,812.60</b>   |
| <b>Net Deferred tax (asset) / liability</b>                                                           | <b>2,382.89</b>   | <b>(1,064.54)</b>             | <b>23.25</b>                             | <b>-</b> | <b>1,341.61</b>   |



## Notes to the standalone financial statements for the year ended March 31, 2025

### Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

(Rs. in Lakhs)

| Particulars                                                               | For the<br>year ended<br>March 31, 2025 | For the<br>year ended<br>March 31, 2024 |
|---------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Profit / (loss) before tax                                                | 4,120.32                                | (3,687.97)                              |
| Enacted income tax rate in India                                          | 34.94%                                  | 34.94%                                  |
| Computed expected tax expense                                             | 1,439.82                                | (1,288.74)                              |
| On account of permanent differences                                       | (0.33)                                  | (39.38)                                 |
| On account of deferred tax income on origination of temporary differences | (14.23)                                 | 173.94                                  |
| On account of previously unrecognised tax loss                            | (23.68)                                 | 6.80                                    |
| On account of profit on sale of investment                                | (967.31)                                | -                                       |
| Others                                                                    | -                                       | 82.84                                   |
| <b>Income tax expense recognised in the statement of profit and loss</b>  | <b>434.27</b>                           | <b>(1,064.54)</b>                       |

45 Borrowing cost capitalised under property, plant and equipment Nil Nil

### 46 Leases

The Company has entered into leasing arrangements in respect of lease hold land and residential/office premise. The leasing arrangements, which are generally cancellable, have lease periods ranging between 11 and 60 months in case of premises and between 30 to 90 years in case of land. They are generally renewable by mutual consent on mutually agreeable terms. The operating leases are cancellable by lessor/lessee with notice period up to three months.

### Lease Liabilities

(Rs. in Lakhs)

| Particulars            | For the<br>year ended<br>March 31, 2025 | For the<br>year ended<br>March 31, 2024 |
|------------------------|-----------------------------------------|-----------------------------------------|
|                        | Building                                | Building                                |
| Opening balance        | 69.43                                   | 139.47                                  |
| Additions              | 27.53                                   | 63.02                                   |
| Deletions              | (0.81)                                  | (68.74)                                 |
| Interest               | 6.35                                    | 10.46                                   |
| Lease payments         | (42.10)                                 | (74.77)                                 |
| <b>Closing balance</b> | <b>60.40</b>                            | <b>69.43</b>                            |
| Current                | 32.95                                   | 12.82                                   |
| Non-current            | 27.45                                   | 56.61                                   |



## Notes to the standalone financial statements for the year ended March 31, 2025

### Maturity analysis of OLL

The details of the maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis are as follows:

(Rs. in Lakhs)

| Particulars       | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------|-------------------------|-------------------------|
| 1 year            | 37.42                   | 84.47                   |
| 1 to 5 years      | 29.32                   | 47.75                   |
| More than 5 years | -                       | -                       |

### Lease rent expense on short-term and low value lease debited to Statement of Profit and Loss

| Particulars                                    | For the<br>year ended<br>March 31, 2025 | For the<br>year ended<br>March 31, 2024 |
|------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Lease rent relating to continuing operations   | 27.10                                   | 7.90                                    |
| Lease rent relating to discontinued operations | 3.58                                    | 35.73                                   |

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 are as follows:

## 47 Financial Instruments

(Rs. in Lakhs)

| Particulars                                                | Carrying value          |                         | Fair value              |                         |
|------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Financial assets</b>                                    |                         |                         |                         |                         |
| <b>Amortised cost</b>                                      |                         |                         |                         |                         |
| Loans                                                      | 812.28                  | 741.04                  | -                       | -                       |
| Trade receivable                                           | 15,737.10               | 16,916.07               | -                       | -                       |
| Cash and cash equivalents                                  | 320.71                  | 787.36                  | -                       | -                       |
| Other Bank balances                                        | 240.06                  | 11.23                   | -                       | -                       |
| Other financial assets                                     | 3,460.25                | 2,933.43                | -                       | -                       |
| Investment in equity instruments in subsidiaries           | 1.00                    | 1.00                    | -                       | -                       |
| Investment in government securities                        | 0.03                    | 0.03                    | -                       | -                       |
| Investment in equity and preference instruments (unquoted) | 379.96                  | 378.36                  | -                       | -                       |
| <b>FVTOCI</b>                                              |                         |                         |                         |                         |
| Investment in equity instruments                           | 9.20                    | 5.85                    | 9.20                    | 5.85                    |
| <b>Total assets</b>                                        | <b>20,960.59</b>        | <b>21,774.37</b>        | <b>9.20</b>             | <b>5.85</b>             |


**Notes to the standalone financial statements for the year ended March 31, 2025**
**Financial Instruments (Contd...)**

(Rs. in Lakhs)

| Particulars                  | Carrying value          |                         | Fair value              |                         |
|------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Financial liabilities</b> |                         |                         |                         |                         |
| <b>Amortised cost</b>        |                         |                         |                         |                         |
| Borrowings                   | 46,665.28               | 50,635.83               | -                       | -                       |
| Lease liabilities            | 60.40                   | 69.43                   | -                       | -                       |
| Trade payables               | 5,150.78                | 9,935.03                | -                       | -                       |
| Other financial liabilities  | 168.22                  | 187.74                  | -                       | -                       |
| <b>Total liabilities</b>     | <b>52,044.68</b>        | <b>60,828.03</b>        | -                       | -                       |

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- Fair values of the Company's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2025 was assessed to be insignificant.

**48 Fair value hierarchy**

**Level 1 -** Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2 -** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3 -** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024:

(Rs. in Lakhs)

| Particulars                                                                               | Total | Fair value measurement using |           |           |
|-------------------------------------------------------------------------------------------|-------|------------------------------|-----------|-----------|
|                                                                                           |       | Level - 1                    | Level - 2 | Level - 3 |
| <b>Financial assets measured at fair value:</b>                                           |       |                              |           |           |
| <b>FVTOCI financial assets designated at fair value: Date of valuation March 31, 2025</b> |       |                              |           |           |
| Investment in equity instruments (quoted)                                                 |       |                              |           |           |
| As at March 31, 2025                                                                      | 9.20  | 9.20                         | -         | -         |
| As at March 31, 2024                                                                      | 5.85  | 5.85                         | -         | -         |

There have been no transfers among Level 1, Level 2 and Level 3 during the year.



## Notes to the standalone financial statements for the year ended March 31, 2025

### 49 Financial risk management

The Company's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is foreign exchange risk. The Company uses foreign currency borrowings to mitigate foreign exchange related risk exposures.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### 1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

#### 2) Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

(Rs. in Lakhs)

| Particulars                  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------|-----------------------------------|-----------------------------------|
| Revenue from top customer    | 4,857.29                          | 3,468.05                          |
| Revenue from top 5 customers | 11,058.23                         | 12,850.17                         |

#### 3) Investments

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

#### 4) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through credit limits with banks.

The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.



## Notes to the standalone financial statements for the year ended March 31, 2025

The working capital position of the Company is given below :

(Rs. in Lakhs)

| Particulars               | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------|-------------------------|-------------------------|
| Cash and cash equivalents | 320.71                  | 787.36                  |
| Other Bank balances       | 240.06                  | 11.23                   |
| <b>Total</b>              | <b>560.77</b>           | <b>798.59</b>           |

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2025 and March 31, 2024.

(Rs. in Lakhs)

| Particulars                 | As at          | Less than<br>1 year | 1-2 years | 2 years and<br>above |
|-----------------------------|----------------|---------------------|-----------|----------------------|
| Borrowings                  | March 31, 2025 | 32,379.17           | 7,123.31  | 7,162.80             |
|                             | March 31, 2024 | 28,733.16           | 6,919.07  | 14,983.60            |
| Trade payables              | March 31, 2025 | 5,150.78            | -         | -                    |
|                             | March 31, 2024 | 9,935.03            | -         | -                    |
| Lease liabilities           | March 31, 2025 | 32.95               | 22.79     | 4.66                 |
|                             | March 31, 2024 | 12.82               | 45.08     | 11.53                |
| Other financial liabilities | March 31, 2025 | 168.22              | -         | -                    |
|                             | March 31, 2024 | 187.74              | -         | -                    |

### 5) Foreign currency risk

The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars, British pound sterling and Euros) and foreign currency borrowings (primarily in U.S. dollars, British pound sterling and Euros). A significant portion of the Company's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's management meets on a periodic basis to formulate the strategy for foreign currency risk management.

Consequently, the management of the Company believes that the borrowings in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent.



## Notes to the standalone financial statements for the year ended March 31, 2025

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2025 and March 31, 2024 :

(Rs. in Lakhs)

| Particulars                       | As at                 | US\$          | Euro            | Pound/Sterling | Total           |
|-----------------------------------|-----------------------|---------------|-----------------|----------------|-----------------|
| <b>Assets</b>                     |                       |               |                 |                |                 |
| Trade receivables*                | March 31, 2025        | 644.82        | 1,521.09        | 38.02          | 2,203.93        |
|                                   | March 31, 2024        | 667.87        | 1,738.12        | 36.15          | 2,442.15        |
| Cash and cash equivalents         | March 31, 2025        | -             | -               | -              | -               |
|                                   | March 31, 2024        | -             | -               | -              | -               |
| <b>Liabilities</b>                |                       |               |                 |                |                 |
| Trade payable                     | March 31, 2025        | -             | -               | -              | -               |
|                                   | March 31, 2024        | -             | -               | -              | -               |
| Borrowings                        | March 31, 2025        | -             | -               | -              | -               |
|                                   | March 31, 2024        | -             | -               | -              | -               |
| <b>Net assets / (liabilities)</b> | <b>March 31, 2025</b> | <b>644.82</b> | <b>1,521.09</b> | <b>38.02</b>   | <b>2,203.93</b> |
|                                   | <b>March 31, 2024</b> | <b>667.87</b> | <b>1,738.12</b> | <b>36.15</b>   | <b>2,442.15</b> |

\* Trade receivables excluding allowance for doubtful trade receivables.

### Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 5% increase and decrease in INR against all foreign currencies dealt by the Company. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(Rs. in Lakhs)

| Particulars                                                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Impact on profit or (loss) for the year on account of rupee appreciation by 5% | 72.76                             | 87.76                             |

For a 5% weakening of the INR against the relevant currency, there would be equivalent amount of impact on the profit / (loss) as mentioned in the above table.

### 6) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates and investments.



## Notes to the standalone financial statements for the year ended March 31, 2025

### Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the company's profit / (loss) for the year ended would have impacted in the following manner:

(Rs. in Lakhs)

| Particulars                                               | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-----------------------------------------------------------|-----------------------------------|-----------------------------------|
| Increase / (decrease) in the profit / (loss) for the year | (435.74)                          | (467.50)                          |

If interest rates were 1% lower, the company's profit would have increased by the equivalent amount as shown in the above table.

### 7) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure is as follows :

| Particulars                                                                 | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------------------------------------------------|----------------------|----------------------|
| <b>Total equity attributable to the equity share holders of the company</b> | <b>42,129.99</b>     | <b>37,836.68</b>     |
| As percentage of total capital                                              | 47%                  | 43%                  |
| Current borrowings                                                          | 32,379.17            | 28,733.16            |
| Non-current borrowings                                                      | 14,286.11            | 21,902.67            |
| <b>Total borrowings</b>                                                     | <b>46,665.28</b>     | <b>50,635.83</b>     |
| As a percentage of total capital                                            | 53%                  | 57%                  |
| <b>Total capital (borrowings and equity)</b>                                | <b>88,795.27</b>     | <b>88,472.51</b>     |

### 50 Valuation of Inventories :

Inventories of raw materials are valued at lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method. The inventory of Finished Goods and Work-in-progress are valued at the lower of cost and net realizable value, and cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Finished Goods and Work-in-progress, to their present location and condition. This inventory comprises of diversified range and quality of yarn and cloth / fabrics, and its valuation depends on the quality of the item as per the specification received from the customers, and its stage of manufacturing, quality and date of purchase of the raw material and other inputs, and efficiency of the manufacturing facility. The Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation.



## Notes to the standalone financial statements for the year ended March 31, 2025

### 51 Additional Regulatory Information :

**i) Title Deeds of Immovable Properties not held in the name of the company.**

The title deeds of all the immovable properties are held in the name of the company.

**ii) Revaluation of Property, Plant and Equipment**

The Company has not revalued its Property, Plant and Equipment during the year.

**iii) Loans and advances granted to Promoters, Directors, KMPs and related parties**

The following disclosures are made in respect of loans and advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:

**a) Repayable on demand**

| Type of Borrower | 31.03.2025                                                  |                                                                   | 31.03.2024                                                  |                                                                   |
|------------------|-------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------|
|                  | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
| Related Parties  | 550.00                                                      | 100%                                                              | 550.00                                                      | 100%                                                              |

**iv) Details of Benami Property**

The Company does not hold any benami property. Hence, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**v) Reconciliation of Statement of Current Assets filed by the Company with banks for Working Capital facilities availed by the Company:**

During the period under consideration, the Company has borrowings from banks on the basis of security of Current Assets and the Quarterly Statements of Current Assets filed by the Company with the banks are in agreement with the books of accounts for all the quarters of the year.

**vi) Wilful Defaulter**

The Company is not declared as a wilful defaulter by any bank or financial Institution or other lender.

**vii) Undisclosed income**

The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**viii) Relationship with Struck off Companies**

The Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2025.


**Notes to the standalone financial statements for the year ended March 31, 2025**
**ix) Registration of Charges or Satisfaction with Registrar Of Companies**

The Company does not have any charges or satisfactions yet to be registered with Registrar of Companies beyond the statutory period.

**x) Layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**xi) Approved scheme(s) of arrangements**

During the year, there is no approved scheme of arrangements.

**xii) Utilisation of Borrowed Funds and Share Premium**

- A) The Company has not advanced or loaned to or invested (either from borrowed funds or share premium or any other sources or kind of funds) in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- B) The company has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**52. Reconciliation of change in liabilities arising from financing activities**

(Rs. in Lakhs)

| Particulars                                              | As at<br>April 01, 2024 | Proceeds      | Repayment         | Others       | As at<br>March 31, 2025 |
|----------------------------------------------------------|-------------------------|---------------|-------------------|--------------|-------------------------|
| Non-current borrowings<br>(including current maturities) | 25,726.28               | -             | (4,518.50)        | -            | 21,207.78               |
| Current borrowings                                       | 24,909.55               | 547.95        |                   |              | 25,457.50               |
| Lease liabilities                                        | 69.43                   |               | (42.10)           | 33.07        | 60.40                   |
| <b>Total</b>                                             | <b>50,705.26</b>        | <b>547.95</b> | <b>(4,560.60)</b> | <b>33.07</b> | <b>46,725.68</b>        |

| Particulars                                              | As at<br>April 01, 2023 | Proceeds | Repayment         | Others      | As at<br>March 31, 2024 |
|----------------------------------------------------------|-------------------------|----------|-------------------|-------------|-------------------------|
| Non-current borrowings<br>(including current maturities) | 29,803.72               | -        | (4,077.44)        | -           | 25,726.28               |
| Current borrowings                                       | 26,665.16               | -        | (1,755.61)        | -           | 24,909.55               |
| Lease liabilities                                        | 139.47                  |          | (74.77)           | 4.73        | 69.43                   |
| <b>Total</b>                                             | <b>56,608.35</b>        | <b>-</b> | <b>(5,907.82)</b> | <b>4.73</b> | <b>50,705.26</b>        |



## Notes to the standalone financial statements for the year ended March 31, 2025

### 53 Assets Classified as Held for Sale

- The Company entered into an agreement to sell dated March 30, 2011 with Shiva Tex Yarn Limited for the sale of part of land situated at Velvarkottai, Dindigul and Kodangipalayam, Karanampet, Coimbatore, valued at Rs. 56.72 lakhs. Accordingly the said amount is disclosed as assets held for sale. As the Company yet to receive the clearance from the lenders with respect to such lands, the same has been reclassified from asset held for sale to Property, Plant and Equipment during the year ended March 31, 2025.
- The Company had classified its fixed assets of garment unit at Palladam and land at SIPCOT, Perundurai as Assets held for Sale and also presented the same as discontinued operations in the statement of profit or loss. Accordingly the company has not charged depreciation of Rs 44.34 lakhs and Rs 179.76 lakhs for the quarter and year ended 31.03.2025 on the assets held in Garment division as they are part of the disposal group as per Ind AS 105.
- The Company had sold entire shares held in the erstwhile subsidiary, Young Brand Apparel Private Limited for a sale consideration of Rs.7,954 lakhs and recognised the gain on disposal of subsidiary in the statement of Profit and Loss as profit from discontinued operations.

#### d. Results of the discontinued operations are presented below:

(Rs. in Lakhs)

| Particulars                                                                         | 31.03.2025      | 31.03.2024      |
|-------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>INCOME</b>                                                                       |                 |                 |
| I Revenue from Operations                                                           | 329.03          | 3,756.98        |
| II Other Income                                                                     | 5,366.08        | 306.85          |
| <b>III Total Income (I+II)</b>                                                      | <b>5,695.11</b> | <b>4,063.83</b> |
| <b>IV EXPENSES</b>                                                                  |                 |                 |
| Cost of materials consumed                                                          | 87.36           | 1,401.97        |
| Purchases of Stock-in trade                                                         | -               | -               |
| Changes in inventories of finished goods and work-in-progress                       | 351.96          | 1,158.96        |
| Employee benefits expense                                                           | 83.56           | 1,012.66        |
| Finance costs                                                                       | 225.24          | 322.74          |
| Depreciation and amortization expense                                               | -               | 118.53          |
| Other expenses                                                                      | 556.12          | 910.03          |
| <b>Total Expenses (IV)</b>                                                          | <b>1,304.24</b> | <b>4,924.89</b> |
| <b>VII Profit/(Loss) before tax from discontinued operations (III-IV)</b>           | <b>4,390.87</b> | <b>(861.06)</b> |
| <b>VIII Tax Expense of discontinued operations Deferred tax Expenses /(Savings)</b> | <b>587.04</b>   | <b>(300.89)</b> |
| <b>IX Profit/(Loss) from discontinued operations after tax (VII-VIII)</b>           | <b>3,803.83</b> | <b>(560.17)</b> |


**Notes to the standalone financial statements for the year ended March 31, 2025**
**e. Major classes of Assets and Liabilities of Discontinued Operations are as follows :**

(Rs. in Lakhs)

| Particulars                                                                                       | 31.03.2025      | 31.03.2024      |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------|
| <b>Assets held for sale:</b>                                                                      |                 |                 |
| Property, Plant and Equipment                                                                     | 4,836.83        | 4,836.82        |
| Less : Reclassified to Property, Plant and Equipment from Held for sale                           | (56.72)         | -               |
| Investment                                                                                        | -               | 2,606.00        |
| <b>Total Assets</b>                                                                               | <b>4,780.11</b> | <b>7,442.82</b> |
| <b>Liability:</b>                                                                                 |                 |                 |
| Liabilities directly associated with Assets classified as held for sale / Discontinued operations | 2,750.00        | 3,250.00        |
| <b>Total Liabilities</b>                                                                          | <b>2,750.00</b> | <b>3,250.00</b> |

**f. Cash flow statement of discontinued operations:**

(Rs. in Lakhs)

| Particulars                                           | 31.03.2025 | 31.03.2024 |
|-------------------------------------------------------|------------|------------|
| Net Cash Flow from /(used in) in Operating activities | (1,457.13) | 742.53     |
| Net Cash Flow from /(used in) in Investing activities | 7,954.00   | -          |
| Net Cash Flow from /(used in) in Financing activities | -          | -          |
| Net Increase/(Decrease) in Cash and Cash Equivalents  | 6,496.87   | 742.53     |

g. The sale of Garment and Processing division could not be completed before the year ended March 31, 2025 on account of pending clearance from lenders and hence the Assets are continued as Held-for-sale and the profit or loss from the said divisions disclosed as Profit or loss from discontinued operations for all the periods presented in this financial statement.

55. To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

As per our report of even date

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 0033285

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

For and on behalf of the board

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer



Notes to the standalone financial statements for the year ended March 31, 2024

55 Financial ratios

| Sl. No. | Particulars                                 | Numerator                                                                                                          | Denominator                                                     | 31.03.2025 | 31.03.2024 | Variance | Reason for variance                                                         |
|---------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------|------------|----------|-----------------------------------------------------------------------------|
| 1       | Current ratio (in times)                    | Current assets                                                                                                     | Current liabilities                                             | 1.13       | 1.05       | 7%       |                                                                             |
| 2       | Debt-Equity Ratio (in times)                | Total Debt (Long Term Borrowings + Short Term Borrowings + Interest Payable thereon)                               | Shareholder's Equity                                            | 1.11       | 1.34       | (17%)    |                                                                             |
| 3       | Debt Service Coverage Ratio (in times)      | Earnings available for Debt Services (Net profit after tax + Depreciation + Interest + other non cash adjustments) | Debt Service (Interest & Lease payments + principal repayments) | 1.26       | 0.74       | 71%      | The variance is due to increase in Earnings available for service of Debt.  |
| 4       | Return on Equity Ratio (in %)               | Net profit after tax                                                                                               | Average shareholder's equity                                    | 9.20%      | (6.68%)    | (238%)   | The variance is due to increase in profit during the year                   |
| 5       | Inventory turnover ratio (in times)         | Cost of Goods sold                                                                                                 | Average Inventories                                             | 2.95       | 2.92       | 1%       |                                                                             |
| 6       | Trade Receivables turnover ratio (in times) | Revenue from operations                                                                                            | Average Trade Receivables                                       | 5.46       | 5.46       | 0%       |                                                                             |
| 7       | Trade payables turnover ratio (in times)    | Total Purchases                                                                                                    | Average Trade Payables                                          | 8.27       | 6.47       | 28%      | The variance is due to decrease in trade payables during the year.          |
| 8       | Net capital turnover ratio (in times)       | Revenue from operations                                                                                            | Working capital                                                 | 15.95      | 43.13      | 63%      | The variance is due to decrease in Revenue from operations during the year. |
| 9       | Net profit ratio (in %)                     | Net Profit After Taxes                                                                                             | Revenue from operations                                         | 4.14%      | (2.73%)    | (252%)   | The variance is due to increase in profit during the year                   |
| 10      | Return on Capital employed (in %)           | Earnings Before Interest and Taxes (EBIT)                                                                          | Capital Employed                                                | 9.83%      | 1.17%      | 474%     | The variance is due to increase in Earnings during the year.                |
| 11      | Return on investment (in %)                 | Earnings Before Interest, Depreciation and Taxes (EBIDT)                                                           | Investment (Total Assets)                                       | 11.22%     | 4.32%      | 160%     | The variance is due to increase in earnings.                                |



## **INDEPENDENT AUDITOR'S REPORT**

To The Members of Bannari Amman Spinning Mills Limited  
Report on the Audit of the Consolidated Financial Statements

### **Opinion**

1. We have audited the accompanying Consolidated Financial Statements of Bannari Amman Spinning Mills Limited ("the Holding Company") and its subsidiary, Bannari Infotech Private Limited (Formerly known as Bannari Amman Infinite Trendz Private Limited) the Holding Company and its subsidiary together referred to as "the Group", which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended on that date and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information ("hereinafter referred to as the Consolidated Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Holding Company and its subsidiary as at 31<sup>st</sup> March 2025, the consolidated profit including other comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year then ended.

### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were



addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

### **Description of Key Audit Matter**

#### **Inventory of Raw Material, Work-in-Progress and Finished Goods**

We draw attention to Note no 49 on Valuation of Inventories in Consolidated Financial Statements of the Company read with the Accounting Policy No. 2.3.

The inventory of Raw Material, Work-in-progress and Finished Goods are valued at the lower of cost and net realizable value. With respect to Work-in-progress and Finished Goods, cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Work-in-progress and Finished Goods to their present location and condition. The Holding Company is an integrated textile manufacturer and the inventory primarily comprises of diversified range and quality of yarn, fabric and garments, and its valuation depends on the quality of the item as per the specification received from the customers, and its stage of manufacturing, quality and date of purchase of the raw material and other inputs, and efficiency of the manufacturing facility. The Holding Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation. The Holding Company maintains its inventory levels based on forecast demand and expected future selling prices. Considering that the Holding Company is having substantial inventory, the carrying value of which is material in the context of total assets of the Holding Company and the valuation thereof involves significant level of subjectivity, judgment and estimation, as detailed above, the same has been considered as Key Audit Matter by us during our audit.

### **Description of Auditors' Response**

#### **Audit Procedure included, but not limited to the following:**

- ❖ Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards.
- ❖ Obtaining an understanding of the Holding Company's process of valuation of the stock, which is done through the computer software.
- ❖ Evaluating the design and implementation of the Holding Company's key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples.
- ❖ Performing substantive procedures to test the reasonableness of the cost allocation methods and basis for allocation of various conversion costs including the direct and indirect cost.
- ❖ Evaluating the process of ascertaining the realizable value of the inventory by comparing the actual sales of the same type of the material and its realisation etc.
- ❖ Comparing the inventory valuation process of the Holding Company with the industry practices and norms.
- ❖ Based on the above procedures performed, the determination of Inventory valuation of Raw Material, Work-in-progress and Finished Goods as at the reporting date is considered to be reasonable.



### **Information Other than the Financial Statements and Auditor's Report thereon**

5. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our Auditor's Report thereon.
6. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information of subsidiary and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.
8. Based on the work we have performed on other information, if we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Management and those Charged with Governance for the Consolidated Financial Statements**

9. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance (including other comprehensive income), Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

11. The respective Board of Directors of companies included in the Group are responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

12. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - a) Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - b) Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- e) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
  - f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial statements of which we are the independent auditors. For the other entities included in Consolidated Financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
14. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
15. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

17. We did not audit the financial statements/financial information of one subsidiary namely Bannari Infotech Private Limited (Formerly known as Bannari Amman Infinite Trendz Private Limited) whose financial statements/financial information reflect the total assets of Rs. 307.87 Lakhs as at March 31, 2025, Nil total revenues and net cash outflows of Rs. 1.36 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act including report on other information in so far as it relates to the aforesaid subsidiary, is based solely on the report of such other auditor.



18. Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor on the financial statements of the subsidiary company.

### Report on Other Legal and Regulatory Requirements

19. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
20. As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended.
  - e) On the basis of the written representations received from the directors of the entities included in the Consolidated financial statements, as on March 31, 2025, audited by us taken on record by the respective Board of Directors and the reports of the other auditors of the subsidiary company, none of the directors of the Group companies are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group with reference to these Consolidated Financial Statements of the company and its subsidiary and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.
  - g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:



In our opinion and according to the information and explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act and the provisions of Section 197 of the Act is not applicable to the other subsidiary.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note No.39 to the Consolidated Financial Statements;
  - ii) The Holding Company and its subsidiary did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiary.
- iv) a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary shall whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material mis-statement.



- v) The Holding company has not declared or paid any dividend during the year.

According to the information and explanations given to us, and based on the reports issued by other auditor of the subsidiary company, no dividend has been declared or paid during the year by the subsidiary company.

- vi) a) Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail function has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit we did not come across any instance of audit trail feature being tampered with. Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- b) According to the information and explanations given to us, and based on the reports issued by other auditor of the subsidiary company the feature of recording audit trail (edit log) facility of the accounting software has been enabled throughout the year for all relevant transactions recorded in the software, at any instance the audit trail feature has not been tampered with and the audit trail has been preserved by the subsidiary as per the statutory requirements for record retention.

For **P N RAGHAVENDRA RAO & CO.,**  
Chartered Accountants  
Firm Registration Number: 003328S

**P R Vittel**  
Partner

Membership Number: 018111  
UDIN: 25018111BMRJZN3661

Place: Coimbatore  
Date: 21<sup>st</sup> May 2025



**ANNEXURE "A" OF THE INDEPENDENT AUDITOR'S REPORT**

Referred to in paragraph 19 of the Independent Auditor's Report of even date to the members of Bannari Amman Spinning Mills Limited on the Consolidated financial statements for the year ended 31st March, 2025, we report that

xxi. According to the information and explanations given to us, and based on the Companies (Auditor's Report) Order ("CARO") reports issued by us and the auditors of the company included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the subsidiary company included in the Consolidated Financial Statements.

For **P N RAGHAVENDRA RAO & CO.,**  
Chartered Accountants  
Firm Registration Number: 003328S

**P R Vittel**  
Partner

Membership Number: 018111  
UDIN: 25018111BMRJZN3661

Place: Coimbatore  
Date: 21<sup>st</sup> May 2025



## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 20(f) of the Independent Auditor's Report of even date to the members of Bannari Amman Spinning Mills Limited on the Consolidated Financial Statements for the year ended March 31, 2025

### **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. We have audited the internal financial controls over financial reporting of Bannari Amman Spinning Mills Limited ("the Holding Company") and its subsidiaries of March 31, 2024 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The respective Board of directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Internal Financial Controls over Financial Reporting with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists,



and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements**

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
  - a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
  - b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorization of management and directors of the company; and
  - c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to Consolidated Financial Statements**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



### Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### Other Matters

9. Our report under section 143(3)(l) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these Consolidated Financial Statements of the Group, in so far as it relates to one subsidiary, is based on the corresponding reports of the auditor of such subsidiary company.

For **P N RAGHAVENDRA RAO & CO.,**  
Chartered Accountants  
Firm Registration Number: 003328S

**P R Vittel**  
Partner  
Membership Number: 018111  
UDIN: 25018111BMRJZN3661

Place: Coimbatore  
Date: 21<sup>st</sup> May 2025



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2025

(Rs. in Lakhs)

| Particulars                                                                                          | Note No.  | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------------------------------------------------------------------------|-----------|----------------------|----------------------|
| <b>ASSETS</b>                                                                                        |           |                      |                      |
| <b>1 Non-current assets</b>                                                                          |           |                      |                      |
| a) Property, plant and equipment incl. Right-of-use Assets                                           | 3A        | 47,646.47            | 48,031.68            |
| b) Capital work-in-progress                                                                          | 3B        | 1,509.07             | 1,009.26             |
| c) Intangible assets                                                                                 | 3C        | 137.67               | 203.95               |
| d) Financial assets                                                                                  |           |                      |                      |
| i) Investments                                                                                       | 4         | 389.19               | 384.24               |
| ii) Other financial assets                                                                           | 5         | 1,552.59             | 1,054.94             |
| e) Other non-current assets                                                                          | 6         | 82.02                | 348.49               |
| <b>Total non-current assets (A)</b>                                                                  |           | <b>51,317.01</b>     | <b>51,032.55</b>     |
| <b>2 Current assets</b>                                                                              |           |                      |                      |
| a) Inventories                                                                                       | 7         | 21,728.27            | 21,148.40            |
| b) Financial assets                                                                                  |           |                      |                      |
| i) Trade receivables                                                                                 | 8         | 15,543.90            | 16,725.26            |
| ii) Cash and cash equivalents                                                                        | 9A        | 321.05               | 789.05               |
| iii) Other Bank balances                                                                             | 9B        | 240.06               | 11.23                |
| iv) Loans                                                                                            | 10        | 41.23                | 19.49                |
| v) Other financial assets                                                                            | 11        | 1,907.66             | 1,878.50             |
| c) Current tax assets (Net)                                                                          | 12        | 563.13               | 171.36               |
| d) Other current assets                                                                              | 13        | 4,100.93             | 5,355.87             |
| <b>Total Current assets (B)</b>                                                                      |           | <b>44,446.23</b>     | <b>46,099.16</b>     |
| <b>3 Assets classified as held for sale (C)</b>                                                      | <b>52</b> | <b>4,780.11</b>      | <b>25,692.19</b>     |
| <b>Total Assets (A) + (B) + (C)</b>                                                                  |           | <b>1,00,543.35</b>   | <b>1,22,823.90</b>   |
| <b>EQUITY AND LIABILITIES</b>                                                                        |           |                      |                      |
| <b>1 Equity</b>                                                                                      |           |                      |                      |
| a) Equity share capital                                                                              | 14        | 3,242.09             | 3,242.09             |
| b) Other equity                                                                                      | 15        | 38,255.93            | 36,691.71            |
| <b>Equity attributable to owners of the Holding company</b>                                          |           | <b>41,498.02</b>     | <b>39,933.80</b>     |
| <b>Non controlling interest</b>                                                                      |           | <b>-</b>             | <b>5,199.93</b>      |
| <b>Total Equity (D)</b>                                                                              |           | <b>41,498.02</b>     | <b>45,133.73</b>     |
| <b>2 Non-current liabilities</b>                                                                     |           |                      |                      |
| a) Financial liabilities                                                                             |           |                      |                      |
| i) Borrowings                                                                                        | 16        | 14,286.11            | 21,907.62            |
| ii) Lease liabilities                                                                                | 17, 45    | 27.45                | 56.61                |
| b) Deferred tax liabilities (net)                                                                    | 18, 43    | 994.56               | 1,530.80             |
| c) Other non-current liabilities                                                                     | 19        | -                    | 65.93                |
| <b>Total Non-current liabilities (E)</b>                                                             |           | <b>15,308.12</b>     | <b>23,560.96</b>     |
| <b>3 Current liabilities</b>                                                                         |           |                      |                      |
| a) Financial liabilities                                                                             |           |                      |                      |
| i) Borrowings                                                                                        | 20        | 32,379.17            | 28,733.16            |
| ii) Lease liabilities                                                                                | 21, 45    | 32.95                | 12.82                |
| iii) Trade payables                                                                                  |           |                      |                      |
| - Total outstanding dues of Micro enterprises and Small enterprises                                  | 22        | 940.76               | 2,350.50             |
| - Total outstanding dues other than Micro enterprises and Small enterprises                          |           | 4,210.02             | 7,581.13             |
| iv) Other financial liabilities                                                                      | 23        | 168.22               | 187.74               |
| b) Other current liabilities                                                                         | 24        | 2,402.96             | 1,706.46             |
| c) Provisions                                                                                        | 25        | 853.13               | 136.51               |
| d) Liabilities directly associated with Assets classified as held for sale / Discontinued operations |           | 2,750.00             | 13,420.90            |
| <b>Total Current liabilities (F)</b>                                                                 |           | <b>43,737.21</b>     | <b>54,129.21</b>     |
| <b>Total equity and liabilities (D) + (E) + (F)</b>                                                  |           | <b>1,00,543.35</b>   | <b>1,22,823.90</b>   |
| <b>Material Accounting Policies</b>                                                                  | <b>2</b>  |                      |                      |
| <b>The accompanying notes form an integral part of the Consolidated Financial Statements</b>         |           |                      |                      |

As per our report of even date

For and on behalf of the board

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 003328S

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Lakhs)

| Particulars                                                                      | Note No. | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|----------------------------------------------------------------------------------|----------|-----------------------------------|-----------------------------------|
| <b>INCOME</b>                                                                    |          |                                   |                                   |
| I Revenue from Operations                                                        | 26       | 88,735.86                         | 92,351.88                         |
| II Other Income                                                                  | 27       | 244.76                            | 1,922.36                          |
| <b>III Total Income (I+II)</b>                                                   |          | <b>88,980.62</b>                  | <b>94,274.24</b>                  |
| <b>IV EXPENSES</b>                                                               |          |                                   |                                   |
| Cost of material consumed                                                        | 28       | 65,457.55                         | 67,124.99                         |
| Purchase of Stock-in trade                                                       | 29       | 971.12                            | 103.99                            |
| Changes in inventories of finished goods and work-in-progress                    | 30       | (3,648.14)                        | 2,634.39                          |
| Employee benefit expense                                                         | 31       | 8,085.46                          | 8,253.52                          |
| Finance costs                                                                    | 32       | 4,502.16                          | 4,909.57                          |
| Depreciation and amortisation expense                                            | 33       | 2,588.75                          | 2,988.55                          |
| Other expenses                                                                   | 34       | 11,413.29                         | 11,237.04                         |
| <b>Total Expenses (IV)</b>                                                       |          | <b>89,370.19</b>                  | <b>97,252.05</b>                  |
| <b>V Profit before exceptional item or tax (III-IV)</b>                          |          | <b>(389.57)</b>                   | <b>(2,977.81)</b>                 |
| VI Exceptional items                                                             |          | -                                 | -                                 |
| <b>VII Profit/(Loss) before tax (V-VI)</b>                                       |          | <b>(389.57)</b>                   | <b>(2,977.81)</b>                 |
| VIII Tax expense:                                                                |          |                                   |                                   |
| 1) Current tax for prior years                                                   |          | -                                 | -                                 |
| 2) Deferred tax Expenses / (Savings)                                             |          | (183.38)                          | (762.93)                          |
| <b>IX Profit/(Loss) for the period from continuing operations (VII-VIII)</b>     |          | <b>(206.19)</b>                   | <b>(2,214.88)</b>                 |
| <b>X Profit/(Loss) from discontinued operations</b>                              |          | <b>1,512.32</b>                   | <b>991.55</b>                     |
| <b>XI Tax Expense for discontinued operations</b>                                |          | <b>587.04</b>                     | <b>189.96</b>                     |
| 1) Current tax for current year                                                  |          | 721.82                            | 539.91                            |
| 2) Current tax for prior years                                                   |          | -                                 | 0.05                              |
| 3) Deferred tax Expenses / (Savings)                                             |          | (134.78)                          | (350.00)                          |
| <b>XII Profit/(Loss) from discontinued operations after tax (X-XI)</b>           |          | <b>925.28</b>                     | <b>801.59</b>                     |
| <b>XIII Profit/(Loss) for the period (IX+XII)</b>                                |          | <b>719.09</b>                     | <b>(1,413.29)</b>                 |
| <b>XIV Other Comprehensive Income from continuing operations</b>                 |          |                                   |                                   |
| i) Items that will not be reclassified to profit or loss                         |          |                                   |                                   |
| a) Remeasurement of Defined benefit plans                                        |          | 15.41                             | 66.55                             |
| b) Gain/loss on equity instruments designed at FVTOCI                            |          | 3.35                              | (1.00)                            |
| ii) Income tax relating to items that will not be reclassified to profit or loss |          | (5.38)                            | (23.25)                           |
| <b>Other Comprehensive Income for the period from continuing operations</b>      |          | <b>13.38</b>                      | <b>42.30</b>                      |


**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

(Rs. in Lakhs)

| Particulars                                                                                         | Note No. | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| <b>XV Other Comprehensive Income from discontinued operations</b>                                   |          |                      |                      |
| i) Items that will not be reclassified to profit or loss                                            |          |                      |                      |
| a) Remeasurement of Defined benefit plans                                                           |          | -                    | 11.44                |
| b) Gain/loss on equity instruments designed at FVTOCI                                               |          | -                    | -                    |
| ii) Income tax relating to items that will not be reclassified to profit or loss                    |          | -                    | (2.88)               |
| <b>Other Comprehensive Income for the period from discontinued operations</b>                       |          | -                    | <b>8.56</b>          |
| <b>XVI Other Comprehensive Income for the period (XIV+XV)</b>                                       |          | <b>13.38</b>         | <b>50.86</b>         |
| <b>XVII Total Comprehensive income for the period (XIII+XVI)</b>                                    |          | <b>732.47</b>        | <b>(1,362.45)</b>    |
| <b>Profits attributable to</b>                                                                      |          |                      |                      |
| Non - controlling interest                                                                          |          | -                    | 783.73               |
| Owners of the company                                                                               |          | 719.09               | (2,197.02)           |
| <b>Other comprehensive income attributable to</b>                                                   |          |                      |                      |
| Non - controlling interest                                                                          |          | -                    | 4.17                 |
| Owners of the company                                                                               |          | 13.38                | 46.69                |
| <b>Total comprehensive income attributable to</b>                                                   |          |                      |                      |
| Non - controlling interest                                                                          |          | -                    | 787.89               |
| Owners of the company                                                                               |          | 732.47               | (2,150.34)           |
| <b>XVIII Earnings per equity share of Rs. 5/- each (for continuing operations)</b>                  |          |                      |                      |
| Basic and Diluted (in Rs.)                                                                          |          | (0.32)               | (1.75)               |
| <b>XIX Earnings per equity share of Rs. 5/- each (for discontinued operations)</b>                  |          |                      |                      |
| Basic and Diluted (in Rs.)                                                                          |          | 1.43                 | 0.63                 |
| <b>XX Earnings per equity share of Rs. 5/- each (from discontinued &amp; continuing operations)</b> |          |                      |                      |
| Basic and Diluted (in Rs.)                                                                          |          | 1.11                 | (1.12)               |
| <b>Material Accounting Policies</b>                                                                 | 2        |                      |                      |
| <b>The accompanying notes form an integral part of the Consolidated Financial Statements</b>        |          |                      |                      |

As per our report of even date

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 0033285

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

For and on behalf of the board

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer



**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**

(Rs. in Lakhs)

|                                     | No. of shares      | Amount          |
|-------------------------------------|--------------------|-----------------|
| <b>a) Equity share capital</b>      |                    |                 |
| Balance as at April 1, 2023         | 6,48,41,871        | 3,242.09        |
| Changes during the year             | -                  | -               |
| <b>Balance at March 31, 2024</b>    | <b>6,48,41,871</b> | <b>3,242.09</b> |
| Balance as at April 1, 2024         | 6,48,41,871        | 3,242.09        |
| Changes during the year             | -                  | -               |
| <b>Balance as at March 31, 2025</b> | <b>6,48,41,871</b> | <b>3,242.09</b> |

**b) Other equity**

(Rs. in Lakhs)

| Particulars                               | Reserves and surplus       |                  |                   | Items of other comprehensive income                |                                                       |                                           | Money received against share warrants | Equity attributable to the owners of the Holding Company | Non - controlling interest |
|-------------------------------------------|----------------------------|------------------|-------------------|----------------------------------------------------|-------------------------------------------------------|-------------------------------------------|---------------------------------------|----------------------------------------------------------|----------------------------|
|                                           | Securities premium account | General reserve  | Retained earnings | Reserve of the defined benefit liabilities (asset) | Equity instruments through other comprehensive income | Other items of other comprehensive income |                                       |                                                          |                            |
| <b>Balance as at April 1, 2023</b>        | 16,129.03                  | 16,295.22        | 5,820.23          | 92.38                                              | 5.44                                                  | 499.72                                    | -                                     | 38,842.02                                                | 4,649.87                   |
| Profit for the year                       | -                          | -                | (2,197.00)        | -                                                  | -                                                     | -                                         | -                                     | (2,197.00)                                               | 783.72                     |
| Dividend paid during the year             | -                          | -                | -                 | -                                                  | -                                                     | -                                         | -                                     | -                                                        | (237.83)                   |
| Other comprehensive income (net of taxes) | -                          | -                | -                 | 47.69                                              | (1.00)                                                | -                                         | -                                     | 46.69                                                    | 4.17                       |
| <b>Balance as at March 31, 2024</b>       | <b>16,129.03</b>           | <b>16,295.22</b> | <b>3,623.23</b>   | <b>140.07</b>                                      | <b>4.44</b>                                           | <b>499.72</b>                             | <b>-</b>                              | <b>36,691.71</b>                                         | <b>5,199.93</b>            |
| <b>Balance as at April 1, 2024</b>        | <b>16,129.03</b>           | <b>16,295.22</b> | <b>3,623.23</b>   | <b>140.07</b>                                      | <b>4.44</b>                                           | <b>499.72</b>                             | <b>-</b>                              | <b>36,691.71</b>                                         | <b>5,199.93</b>            |
| Profit for the year                       | -                          | -                | 719.09            | -                                                  | -                                                     | -                                         | -                                     | 719.09                                                   | -                          |
| Rights issue expenses                     | (47.74)                    | -                | -                 | -                                                  | -                                                     | -                                         | -                                     | (47.74)                                                  | -                          |
| Part amount received during the year      | -                          | -                | -                 | -                                                  | -                                                     | -                                         | 655.00                                | 655.00                                                   | -                          |
| On disposal of subsidiary                 | -                          | -                | 738.59            | (14.38)                                            | -                                                     | (499.72)                                  | -                                     | 224.49                                                   | (5,199.93)                 |
| Other comprehensive income (net of taxes) | -                          | -                | -                 | 10.03                                              | 3.35                                                  | -                                         | -                                     | 13.38                                                    | -                          |
| <b>Balance as at March 31, 2025</b>       | <b>16,081.29</b>           | <b>16,295.22</b> | <b>5,080.91</b>   | <b>135.72</b>                                      | <b>7.79</b>                                           | <b>-</b>                                  | <b>655.00</b>                         | <b>38,255.93</b>                                         | <b>-</b>                   |

Notes forming part of the Consolidated Financial Statements

As per our report of even date

**For P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 003328S

**P R Vitteel**

Partner

Membership No: 018111

Coimbatore

21.05.2025

For and on behalf of the Board of Directors

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer



**CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2025**

(Rs. in Lakhs)

| Particulars                                                                     | For the year ended<br>March 31, 2025 |                 | For the year ended<br>March 31, 2024 |                  |
|---------------------------------------------------------------------------------|--------------------------------------|-----------------|--------------------------------------|------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                                   |                                      |                 |                                      |                  |
| Profit / (loss) before tax from continuing and discontinued operations          |                                      | 1,122.75        |                                      | (1,986.27)       |
| <b>Adjustments for:</b>                                                         |                                      |                 |                                      |                  |
| Depreciation expense                                                            | 2,613.76                             |                 | 3,519.73                             |                  |
| (Profit) / loss on sale of property, plant and equipment                        | 21.23                                |                 | (110.03)                             |                  |
| (Profit) / loss on sale of investments                                          | (2,469.46)                           |                 | (14.96)                              |                  |
| Finance costs                                                                   | 4,727.40                             |                 | 6,023.32                             |                  |
| Interest income                                                                 | (120.50)                             |                 | (139.47)                             |                  |
| Doubtful trade receivables and bad debts written off                            | 46.82                                |                 | 279.57                               |                  |
| Gain on termination of lease                                                    | (0.06)                               |                 | (4.75)                               |                  |
| Net unrealised exchange (gain)                                                  | (116.66)                             |                 | (46.08)                              |                  |
|                                                                                 |                                      | 4,702.53        |                                      | 9,507.32         |
| Operating profit before working capital changes                                 |                                      | 5,825.28        |                                      | 7,521.05         |
| <b>Changes in working capital:</b>                                              |                                      |                 |                                      |                  |
| <b>Adjustments for increase / (decrease) in operating assets:</b>               |                                      |                 |                                      |                  |
| <b>Financial assets</b>                                                         |                                      |                 |                                      |                  |
| Trade receivables                                                               | 1,251.20                             |                 | (1,684.97)                           |                  |
| Loans                                                                           | (21.74)                              |                 | (54.79)                              |                  |
| Other financial assets                                                          | (534.74)                             |                 | (1,301.25)                           |                  |
| <b>Non-financial assets</b>                                                     |                                      |                 |                                      |                  |
| Inventories                                                                     | (578.80)                             |                 | 9,303.62                             |                  |
| Other non-financial assets                                                      | 1,267.87                             |                 | (2,146.33)                           |                  |
| <b>Adjustments for increase / (decrease) in operating liabilities:</b>          |                                      |                 |                                      |                  |
| <b>Financial liabilities</b>                                                    |                                      |                 |                                      |                  |
| Trade payables                                                                  | (4,785.81)                           |                 | (324.99)                             |                  |
| Other financial liabilities                                                     | 61.38                                |                 | (115.46)                             |                  |
| <b>Non-financial liabilities</b>                                                |                                      |                 |                                      |                  |
| Provisions                                                                      | (5.20)                               |                 | 75.39                                |                  |
| Other non-financial liabilities                                                 | 130.86                               |                 | 1,771.42                             |                  |
|                                                                                 |                                      | (3,214.98)      |                                      | 5,522.64         |
| Net income tax paid                                                             |                                      | 2,610.30        |                                      | 13,043.69        |
|                                                                                 |                                      | (328.11)        |                                      | (508.29)         |
| <b>Net cash flow from/(used in) operating activities (A)</b>                    |                                      | <b>2,282.20</b> |                                      | <b>12,535.40</b> |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                                   |                                      |                 |                                      |                  |
| Capital expenditure on property plant and equipment, including capital advances | (2,605.76)                           |                 | (1,700.60)                           |                  |
| Margin money deposits                                                           | (228.83)                             |                 | 181.31                               |                  |
| Sale of investments                                                             | 7,949.04                             |                 | 254.98                               |                  |
| Proceeds from sale of property, plant and equipment                             | 206.21                               |                 | 451.08                               |                  |
| Interest received                                                               | 91.33                                |                 | 127.01                               |                  |
| <b>Net cash flow from/(used in) investing activities (B)</b>                    |                                      | <b>5,411.99</b> |                                      | <b>(686.21)</b>  |



CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED MARCH 31, 2025

(Rs. in Lakhs)

| Particulars                                                             | For the year ended<br>March 31, 2025 |                   | For the year ended<br>March 31, 2024 |                    |
|-------------------------------------------------------------------------|--------------------------------------|-------------------|--------------------------------------|--------------------|
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>                           |                                      |                   |                                      |                    |
| Proceeds/(Repayment) from non-current borrowings                        | (4,518.50)                           |                   | (6,559.01)                           |                    |
| Increase/(Decrease) in working capital borrowings                       | 547.95                               |                   | 1,465.39                             |                    |
| Proceeds from issuing share warrants                                    | 655.00                               |                   |                                      |                    |
| Payment of dividend to minority shareholders                            | -                                    |                   | (237.83)                             |                    |
| Repayment of lease liabilities                                          | (42.10)                              |                   | (74.77)                              |                    |
| Right issue expenses                                                    | (47.74)                              |                   | -                                    |                    |
| Finance costs paid                                                      | (4,756.79)                           |                   | (5,855.64)                           |                    |
| <b>Net cash flow from/(used in) financing activities (C)</b>            |                                      | <b>(8,162.18)</b> |                                      | <b>(11,261.87)</b> |
| <b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>     |                                      | <b>(468.00)</b>   |                                      | <b>587.33</b>      |
| Cash and Cash equivalents attributable to discontinued operations (Net) |                                      | -                 |                                      | (260.87)           |
| Add: Cash and cash equivalents at the beginning of the year             |                                      | 789.05            |                                      | 462.60             |
| <b>Cash and cash equivalents at the end of the year *</b>               |                                      | <b>321.05</b>     |                                      | <b>789.05</b>      |
| * Comprises:                                                            |                                      |                   |                                      |                    |
| a) Cash on hand                                                         | 1.77                                 |                   | 5.25                                 |                    |
| b) Cheques/drafts on hand                                               | 15.61                                |                   | 3.00                                 |                    |
| c) Balances with banks:                                                 |                                      |                   |                                      |                    |
| i) In current accounts                                                  | 303.67                               |                   | 780.80                               |                    |
| <b>Total</b>                                                            |                                      | <b>321.05</b>     |                                      | <b>789.05</b>      |

As per our report of even date

For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 003328S

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

For and on behalf of the board

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer



**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1.</b>  | <p><b>Corporate Information</b></p> <p>Bannari Amman Spinning Mills Limited (the "Company" / "Holding Company") is a public limited company situated at 252, Mettupalayam Road, Coimbatore - 641 043. The company has investment in subsidiaries namely, Young Brand Apparel Private Limited, Bannari Amman Infinite Trendz Private Limited and Young Brand Global Private Limited (Subsidiary of Young Brand Apparel Private Limited) (the Holding Company and its subsidiaries collectively called as "the Group"). The Group is engaged in the manufacture of cotton yarn, knitted &amp; woven fabrics, processing of fabrics, finished garments, home textiles and wind power generation.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>2.</b>  | <p><b>Material Accounting Policies</b></p> <p>This note provides a list of the material accounting policies adopted in the preparation of the Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>2.1</b> | <p><b>a) Basis of accounting and preparation of Consolidated financial statements</b></p> <p><b>i) Compliance with Ind AS</b></p> <p>"These Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act as amended from time to time.</p> <p><b>ii) Historical cost convention</b></p> <p>The Consolidated Financial Statements have been prepared on a historical cost basis, except for the following:</p> <ul style="list-style-type: none"> <li>a) Certain property, plant and equipment, financial assets and liabilities that are measured at fair value</li> <li>b) Defined benefit plans – plan assets measured at fair value</li> <li>c) Assets held for sale – measured at at the lower of their carrying amount and the fair value less cost to sell.</li> </ul> <p><b>iii) Functional and presentation currency</b></p> <p>The consolidated financial statements are presented in the Group's functional and presentation currency, Indian rupee (Rs.), rounded off to the nearest rupees in lakhs.</p> <p><b>iv) Current/Non-Current Classification:</b></p> <p>The Group has classified all the assets and liabilities as current and non-current based on the normal operating cycle of the Group and other criteria as set out in the Schedule III of Companies Act, 2013. 'Based on the nature of products / activities of the Group and the normal time between acquisition of assets/inventories for processing and their realisation in</p> |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No.                                                                                | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                         |                         |                         |                                     |        |        |                                                                                         |        |        |                                               |         |         |
|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------------------|--------|--------|-----------------------------------------------------------------------------------------|--------|--------|-----------------------------------------------|---------|---------|
|                                                                                         | <p>cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.</p> <p><b>v) Rounding of amounts</b></p> <p>All the financial informations included in the standalone financial statements have been rounded off to the nearest rupees in lakhs and two decimals thereof, as per the requirement of Schedule III to Companies Act, 2013 unless stated otherwise.</p> <p><b>b) Principles of consolidation and equity accounting</b></p> <p><b>1) Subsidiaries</b></p> <p>Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.</p> <p>The acquisition method of accounting is used to account for business combinations by the group.</p> <p>The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.</p> <p>Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.</p> <p>The consolidated financial statements of the Group include subsidiaries / joint ventures which are incorporated in India in the table below:</p> |                         |                         |                         |                                     |        |        |                                                                                         |        |        |                                               |         |         |
|                                                                                         | <table><tr><th>Name of the entity</th><th>As at<br/>March 31, 2025</th><th>As at<br/>March 31, 2024</th></tr><tr><td>Young Brand Apparel Private Limited</td><td>51.33%</td><td>51.33%</td></tr><tr><td>Young Brand Global Private Limited (Subsidiary of Young Brand Apparel Private Limited )</td><td>51.33%</td><td>51.33%</td></tr><tr><td>Bannari Amman Infinite Trendz Private Limited</td><td>100.00%</td><td>100.00%</td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Name of the entity      | As at<br>March 31, 2025 | As at<br>March 31, 2024 | Young Brand Apparel Private Limited | 51.33% | 51.33% | Young Brand Global Private Limited (Subsidiary of Young Brand Apparel Private Limited ) | 51.33% | 51.33% | Bannari Amman Infinite Trendz Private Limited | 100.00% | 100.00% |
| Name of the entity                                                                      | As at<br>March 31, 2025                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | As at<br>March 31, 2024 |                         |                         |                                     |        |        |                                                                                         |        |        |                                               |         |         |
| Young Brand Apparel Private Limited                                                     | 51.33%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 51.33%                  |                         |                         |                                     |        |        |                                                                                         |        |        |                                               |         |         |
| Young Brand Global Private Limited (Subsidiary of Young Brand Apparel Private Limited ) | 51.33%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 51.33%                  |                         |                         |                                     |        |        |                                                                                         |        |        |                                               |         |         |
| Bannari Amman Infinite Trendz Private Limited                                           | 100.00%                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 100.00%                 |                         |                         |                                     |        |        |                                                                                         |        |        |                                               |         |         |


**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p>The Holding Company had sold entire shares held in the erstwhile subsidiary, Young Brand Apparel Private Limited and accordingly, the consolidated financial statements does not include financial results of erstwhile subsidiary company, Young Brand Apparel Private Limited and its wholly owned subsidiary, Young Brand Global Private Limited for the year ended 31.3.2025.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>2.2</b> | <p><b>Use of estimates</b></p> <p>In the preparation of these Consolidated Financial Statements, management of the Holding Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.</p> <p>The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.</p> <p>The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.</p> <p><b>a) Useful lives of property, plant and equipment</b></p> <p>The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This assessment may result in change in the depreciation expense in future periods. Useful life in years for the Holding Company: Factory building - 30, Building (non factory) - 60, Plant and machinery (main) - 30, Plant and machinery (others) - 15, Office equipments - 5, Furniture &amp; fittings - 10, Vehicles - 8.</p> <p><b>b) Deferred tax assets</b></p> <p>The carrying amount of deferred tax asset is reviewed at each reporting period and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p> <p><b>c) Employee benefits</b></p> <p>The cost of post employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.</p> |



Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | <p><b>d) Inventories</b></p> <p>Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes .</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>2.3</b> | <p><b>Inventories</b></p> <p>Inventories are valued at lower of cost and net realisable value including necessary provision for obsolescence. The cost of inventories shall comprise all costs of purchase , conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method. Value of finished goods and work-in-progress are determined on weighted average basis and include appropriate share of overheads.</p> <p>Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials, stores and spares, packing and others held for use in the production of finished goods are not written down below except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realizable value.</p> |
| <b>2.4</b> | <p><b>Cash flow statement</b></p> <p>Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of tax expenses , transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>2.5</b> | <p><b>Taxes on income</b></p> <p><b>a) Current tax</b></p> <p>The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit / (loss) before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantially enacted and are applicable as at the end of the reporting period. In the absence of adequate taxable profits, the Group is required to pay Minimum Alternate Tax (MAT) on the book profits, as adjusted for certain provisions.</p> <p><b>b) Deferred tax</b></p> <p>Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all</p>                                                                                                                              |


**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.</p> <p>MAT paid in accordance with the tax laws, if any, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal tax. Accordingly, MAT is recognised as a deferred tax asset in the Balance sheet when it is highly probable that future economic benefit associated with it will flow to the Group.</p> <p>The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefit of part or all of that deferred tax asset to be utilised.</p> <p>Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. When different tax rates apply to different levels of taxable income, deferred tax assets and liabilities are measured using the average rates that are expected to apply to the taxable profit (tax loss) of the periods in which the temporary differences are expected to reverse.</p> <p>Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.</p> <p>The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.</p> <p><b>c) Current and deferred tax for the year</b></p> <p>Current and deferred tax are recognised in the Consolidated Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.</p> <p><b>2.6 a) Property, plant and equipment</b></p> <p>The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and</p> |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Consolidated Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.</p> <p>An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Consolidated Statement of Profit and Loss.</p> <p>Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.</p> <p>Freehold land and leasehold land where the lease is convertible to freehold land under lease agreements at future dates at no additional cost, are not depreciated.</p> <p>Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as capital advance under other non-current assets.</p> <p>Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.</p> <p><b>b) Capital work-in-progress</b></p> <p>Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses.</p> <p><b>c) Depreciation and Amortisation</b></p> <p>Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 on a systematic basis except in respect of the following assets which are considered based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc., Depreciation is provided pro-rata from the date of Capitalisation.</p> <p>Plant and Machinery - 25 to 30 years</p> |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.7      | <p data-bbox="280 410 509 442">Windmill - 30 years</p> <p data-bbox="280 451 643 483">Factory Building - 30-60 years</p> <p data-bbox="241 497 1463 604">The Group reviews the residual values, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.</p> <p data-bbox="241 619 1463 687">The Intangible Assets which are acquired from others are recognised at cost including interest capitalisation. Intangible Assets will be amortised over benefit period from the date put to use.</p> <p data-bbox="241 727 331 755"><b>Leases</b></p> <p data-bbox="241 785 1463 929">The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.</p> <p data-bbox="241 955 1463 1174">The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.</p> <p data-bbox="241 1200 1463 1383">The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of ROU assets are determined on the same basis as those of property and equipment. In addition, the ROU asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.</p> <p data-bbox="241 1408 1463 1704">The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.</p> <p data-bbox="241 1730 1463 1836">The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments relating to those leases as an expense on a straight-line basis over the lease term.</p> |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>2.8</b> | <p><b>Revenue recognition</b></p> <p><b>i) Sale of goods</b></p> <p>Revenue from sale of goods is recognised when the performance obligations are satisfied and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Group has a right to payment for the asset, customer has legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Group has objective evidence that all criteria for acceptance have been satisfied. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component. Revenue from the sale of goods is measured at the transaction price of the consideration received or receivable which includes fixed, variable or both amounts, (excluding amounts collected on behalf of third parties) net of returns and allowances, trade discounts and volume rebates.</p> <p><b>ii) Time and material</b></p> <p>Revenue from time and material contracts are recognised as and when services are rendered to the customer. These are based on the efforts spent and rates agreed with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.</p> <p><b>iii) Dividend and interest income</b></p> <p>Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.</p> <p><b>iv) Other operating revenue</b></p> <p>Income incidental to exports such as duty drawback, Merchandise Exports from India Scheme (MEIS), income from import entitlement and premium on sale of such entitlement are recognised on accrual basis in the year of exports based on eligibility when there is a reasonable probability of collection.</p> <p><b>v) Insurance claims</b></p> <p>Insurance claims are accounted for on the basis of claims admitted/ expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.</p> |


**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No.   | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
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| <b>2.9</b> | <p><b>Employee benefits</b></p> <p>Employee benefits include provident fund, employee state insurance, gratuity fund and compensated absences.</p> <p><b>a) Retirement benefit costs and termination benefits</b></p> <p>Payments to defined contribution Retirement Benefit Plans are recognised as an expense when employees have rendered service entitling them to the contributions.</p> <p>For defined benefit Retirement Benefit Plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), are reflected in the Consolidated Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.</p> <p><b>b) Defined benefit costs are categorised as follows :</b></p> <ul style="list-style-type: none"> <li>- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);</li> <li>- net interest expense or income; and</li> <li>- remeasurement</li> </ul> <p>For defined benefit plan, in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Other Comprehensive Income. In the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the scheme. The gratuity fund is maintained with Life Insurance Corporation of India.</p> <p>The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.</p> <p>The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.</p> |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.</p> <p><b>c) Short-term and other long term employee benefits</b></p> <p>A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.</p> <p>Liabilities recognised in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.</p> <p>Liabilities recognised in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.</p>           |
| <b>2.10</b> | <p><b>Foreign currency transactions and translations</b></p> <p>Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses).</p> <p>Non-monetary assets and liabilities measured in terms of historical cost in foreign currencies are not retranslated. Foreign currency gains and losses are reported on a net basis.</p>                                                                                                                                                                                                                                                  |
| <b>2.11</b> | <p><b>Borrowings and borrowing cost</b></p> <p>Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale</p> <p>Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in Consolidated Statement of Profit and Loss in the period in which they are incurred.</p> |


**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
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| <b>2.12</b> | <p><b>Earnings per share</b></p> <p>Basic earnings per share is computed by dividing the net profit after tax and before other comprehensive income attributable to ordinary equity shareholders, by the weighted average number of equity shares outstanding during the period, adjusted for rights issue of equity shares during the period.</p> <p>Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.</p> <p>Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.</p> |
| <b>2.13</b> | <p><b>Provisions and contingencies</b></p> <p>A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.</p> <p>The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A contingent asset is not recognized in financial statements, however, the same is disclosed where an inflow of economic benefit is probable.</p>                                                                                                                                                                                                                                   |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2.14     | <p><b>Financial instruments</b></p> <p>A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument. All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the transaction value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, financial liabilities like loans and borrowings and payables are recognised net of directly attributable transaction costs.</p> <p><b>a) Non-derivative financial assets</b></p> <p><b>i) Financial assets at amortised cost</b></p> <p>A financial asset shall be measured at amortised cost if both of the following conditions are met:</p> <ul style="list-style-type: none"> <li>a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and</li> <li>b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.</li> </ul> <p>They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.</p> <p>The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or where appropriate, a shorter period, to the gross carrying amount on initial recognition.</p> <p>Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.</p> <p>Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.</p> |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|----------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p><b>ii) Equity instruments at FVTOCI</b></p> <p>All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in OCI. The Group makes such election on an instrument-by-instrument basis.</p> <p>If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently reclassified to statement of profit and loss.</p> <p><b>iii) Financial assets at FVTPL</b></p> <p>FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.</p> <p>In addition, the Group may elect to designate the financial asset, which otherwise meets amortised cost or FVOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency.</p> <p>Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.</p> <p><b>iv) Derecognition of financial assets</b></p> <p>The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.</p> <p>On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.</p> |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p>On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.</p> <p><b>b) Non-derivative financial liabilities</b></p> <p><b>i) Financial liabilities at amortised cost</b></p> <p>Financial liabilities at amortised cost represented by borrowings, trade and other payables. Borrowings are initially recognized at net of transaction costs incurred subsequently carried at amortized cost using the effective interest rate method and all other financial liabilities are recognised at the transaction value.</p> <p><b>ii) Financial liabilities at FVTPL</b></p> <p>Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Finance costs' line item. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.</p> <p>For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss. The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit or loss.</p> |


**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | <p><b>iii) Derecognition of non-derivative financial liabilities</b></p> <p>The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.</p> <p><b>2.15 Fair Value Measurement</b></p> <p>Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:</p> <ul style="list-style-type: none"> <li>i) In the principal market for the asset or liability, or</li> <li>ii) In the absence of a principal market, in the most advantageous market for the asset or liability.</li> </ul> <p>The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.</p> <p>The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:</p> <ul style="list-style-type: none"> <li>i) Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.</li> <li>ii) Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.</li> <li>iii) Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.</li> </ul> |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>For assets and liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.</p> <p>For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions."</p> <p>At initial recognition, the Group measures a financial asset, except trade receivable at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Trade receivables are initially measured at transaction price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of Profit and Loss.</p> <p>For the purpose of subsequent measurement, financial instruments of the Group are classified in the following categories: non-derivative financial assets comprising amortised cost, equity instruments at FVTOCI or fair value through profit and loss account (FVTPL) and financial liabilities at amortised cost or FVTPL.</p> <p>The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.</p> |
| <b>2.16</b> | <p><b>Impairment</b></p> <p><b>a) Financial Assets</b></p> <p>In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.</p> <p>Lifetime ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12-months after the reporting date.</p> <p>ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No. | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
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|          | <p>(i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:</p> <ul style="list-style-type: none"> <li>i) All contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.</li> <li>ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.</li> </ul> <p>As practical expedient, the Group uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.</p> <p>ECL impairment loss allowance (or reversal) recognised during the year is recognised as income/expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:</p> <p>Financial assets measured at amortised cost, contractual revenue receivable: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Group does not reduce impairment allowance from the gross carrying amount.</p> <p><b>b) Non-financial assets</b></p> <p>The Group assesses at each reporting date whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the amount of impairment loss.</p> <p>An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.</p> <p>The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For</p> |



## Notes to the consolidated financial statements for the year ended March 31, 2025

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>2.17</b> | <p><b>Segment reporting</b></p> <p>The Managing Director of the Holding Company has been identified as the Chief Operating Decision maker. The Group's operations relate to only one business segment, viz., Textiles and thus it has only one reportable business segment. The geographical segment information as required by Ind AS 108 - Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision maker for the purpose of making decisions about allocating resources and assessing its performance.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>2.18</b> | <p><b>Non-Current Assets held for sale</b></p> <p><b>a. Non-Current Assets held for sale</b></p> <p>The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuous use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.</p> <p>Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less cost to sell. Non-current assets are not depreciated or amortized while they are classified as held for sale.</p> <p><b>b. Discontinued Operations</b></p> <p>Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit and loss. The Group re-presents the aforesaid disclosures in respect of discontinued operations for all prior periods presented in the financial statements so that the disclosures relate to all operations that have been discontinued by the end of the reporting period for the latest period presented. All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.</p> |
| <b>2.19</b> | <p><b>Government grants</b></p> <p>Grants from the government are recognised when there is reasonable assurance that: i) the Group will comply with the conditions attached to them; and (ii) the grant will be received.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

| Note No.    | Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <p>Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.</p> <p>Where the Group receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is recognized as government rate. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.</p> <p>Government Grant is recognised in the Consolidated Statement of Profit and Loss Account either as Other Operating Revenue or Other Income or adjusted against the expenses depending upon the nature of the grant.</p> |
| <b>2.20</b> | <p><b>Events after Reporting date</b></p> <p>Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Consolidated Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>2.21</b> | <p><b>Recent Pronouncements</b></p> <p>Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.</p> <p>The Ministry of Corporate Affairs issued the amendments to the Companies (Indian Accounting Standards) Amendment Rules in August 2024 in which MCA has notified Ind AS 117 - Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and lease back transactions, applicable from April 1, 2024.</p> <p>On May 9, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 1, 2025.</p> <p>The Company has evaluated and assessed that the amendments does not have any material impact on the Financial Statements of the Company.</p>                                                                                                                                                                                           |



Notes to the consolidated financial statements for the year ended March 31, 2025

3A Property, plant and equipment and capital work-in-progress

(Rs. in Lakhs)

| Description of Assets                    | Right-of-use Land & Building | Own land        | Building - own   | Building on leasehold land | Plant and machinery | Office equipment | Furniture and fittings | Vehicles      | Tools and implements | Total            |
|------------------------------------------|------------------------------|-----------------|------------------|----------------------------|---------------------|------------------|------------------------|---------------|----------------------|------------------|
| <b>I. Gross</b>                          |                              |                 |                  |                            |                     |                  |                        |               |                      |                  |
| <b>Balance as at April 1, 2023</b>       | <b>489.57</b>                | <b>4,933.99</b> | <b>13,019.60</b> | <b>412.76</b>              | <b>45,707.23</b>    | <b>418.35</b>    | <b>446.55</b>          | <b>168.01</b> | <b>1.88</b>          | <b>65,597.94</b> |
| Additions                                | 63.02                        | -               | 390.11           | 202.96                     | 581.78              | 13.80            | 0.23                   | -             | -                    | 1,251.90         |
| Disposals                                | (63.99)                      | -               | -                | (109.32)                   | (629.82)            | (4.83)           | (0.23)                 | -             | -                    | (693.81)         |
| Transferred to assets held for sale *    |                              |                 |                  |                            |                     |                  |                        |               |                      | (114.38)         |
| <b>Balance as at March 31, 2024</b>      | <b>488.60</b>                | <b>4,933.99</b> | <b>13,409.71</b> | <b>506.40</b>              | <b>45,659.19</b>    | <b>427.32</b>    | <b>446.55</b>          | <b>168.01</b> | <b>1.88</b>          | <b>66,041.65</b> |
| Additions                                | 27.53                        | -               | 47.33            | -                          | 2,219.49            | 26.41            | 12.97                  | -             | -                    | 2,333.73         |
| Disposals                                | (0.75)                       | -               | -                | -                          | (417.98)            | -                | -                      | (2.44)        | -                    | (421.17)         |
| Reclassified from assets held for sale * | -                            | 56.72           | -                | -                          | -                   | -                | -                      | -             | -                    | 56.72            |
| <b>Balance as at March 31, 2025</b>      | <b>515.38</b>                | <b>4,990.71</b> | <b>13,457.04</b> | <b>506.40</b>              | <b>47,460.70</b>    | <b>453.73</b>    | <b>459.52</b>          | <b>165.57</b> | <b>1.88</b>          | <b>68,010.93</b> |
| <b>II. Accumulated depreciation</b>      |                              |                 |                  |                            |                     |                  |                        |               |                      |                  |
| <b>Balance as at April 1, 2023</b>       | <b>309.89</b>                | <b>-</b>        | <b>3,001.80</b>  | <b>103.77</b>              | <b>11,265.55</b>    | <b>369.17</b>    | <b>256.56</b>          | <b>76.54</b>  | <b>0.09</b>          | <b>15,383.37</b> |
| Depreciation expenses for the year       | 66.68                        | -               | 470.64           | 42.08                      | 2,348.93            | 37.16            | 27.74                  | 11.88         | -                    | 3,005.10         |
| Disposals                                | (1.62)                       | -               | -                | (83.28)                    | (289.75)            | (2.42)           | (1.42)                 | -             | -                    | (289.75)         |
| Transferred to assets held for sale *    |                              |                 |                  |                            |                     |                  |                        |               |                      | (88.74)          |
| <b>Balance as at March 31, 2024</b>      | <b>374.95</b>                | <b>-</b>        | <b>3,472.44</b>  | <b>62.57</b>               | <b>13,324.72</b>    | <b>403.91</b>    | <b>282.88</b>          | <b>88.41</b>  | <b>0.09</b>          | <b>18,009.97</b> |
| Depreciation expenses for the year       | 36.74                        | -               | 472.97           | 14.91                      | 1,931.72            | 19.05            | 36.32                  | 10.76         | -                    | 2,522.47         |
| Disposals                                | -                            | -               | -                | -                          | (165.72)            | -                | (2.26)                 | -             | -                    | (167.98)         |
| Transferred to assets held for sale *    |                              |                 |                  |                            |                     |                  |                        |               |                      | -                |
| <b>Balance as at March 31, 2025</b>      | <b>411.69</b>                | <b>-</b>        | <b>3,945.41</b>  | <b>77.48</b>               | <b>15,090.72</b>    | <b>422.96</b>    | <b>316.94</b>          | <b>99.17</b>  | <b>0.09</b>          | <b>20,364.46</b> |
| <b>Net (I-II)</b>                        |                              |                 |                  |                            |                     |                  |                        |               |                      |                  |
| <b>Balance as at March 31, 2024</b>      | <b>113.65</b>                | <b>4,933.99</b> | <b>9,937.27</b>  | <b>443.83</b>              | <b>32,334.47</b>    | <b>23.41</b>     | <b>163.67</b>          | <b>79.60</b>  | <b>1.79</b>          | <b>48,031.68</b> |
| <b>Balance as at March 31, 2025</b>      | <b>103.69</b>                | <b>4,990.71</b> | <b>9,511.63</b>  | <b>428.92</b>              | <b>32,369.97</b>    | <b>30.78</b>     | <b>142.58</b>          | <b>66.40</b>  | <b>1.79</b>          | <b>47,646.47</b> |

Amount Pertaining to building on lease hold land comprised in the property, plant and equipment schedule represented by 2,52,841 equity shares of Rs. 10/- each of Section 8 Company and Leave and license agreement.

Refer Note no 16 & 20 for the details of Property, Plant and Equipment pledged against the borrowings of the Company.


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**3B Capital work-in-progress**

(Rs. in Lakhs)

| Particulars                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------|-------------------------|-------------------------|
| Opening balance                             | 1,009.26                | 547.71                  |
| Add: Additions during the year              | 1,509.07                | 1,239.98                |
| Less: Capitalised during the year           | (1,009.26)              | (756.16)                |
| Less: Reclassified to assets held for sale* | -                       | (22.27)                 |
| <b>Closing Balance</b>                      | <b>1,509.07</b>         | <b>1,009.26</b>         |

(Rs. in Lakhs)

| Capital work in progress | Amount of Capital work in progress for a period of |           |           |           |                 |
|--------------------------|----------------------------------------------------|-----------|-----------|-----------|-----------------|
|                          | < 1 Year                                           | 1-2 Years | 2-3 Years | > 3 Years | Total           |
| Projects in progress     |                                                    |           |           |           |                 |
| As at March 31, 2025     | 1,509.07                                           | -         | -         | -         | <b>1,509.07</b> |
| As at March 31, 2024     | 1,009.26                                           | -         | -         | -         | <b>1,009.26</b> |

**Note:** There are no projects suspended as at March 31, 2025 and March 31, 2024. There are no items of capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan in current and previous year.

**3C Other intangible assets**

(Rs. in Lakhs)

| Description of assets                             | Computer<br>software | Brand         | Total         |
|---------------------------------------------------|----------------------|---------------|---------------|
| <b>I. Gross</b>                                   |                      |               |               |
| <b>Balance as at April 1, 2023</b>                | -                    | <b>509.88</b> | <b>509.88</b> |
| Additions                                         | 4.16                 | -             | 4.16          |
| Disposals                                         | -                    | -             | -             |
| Transferred to assets held for sale*              | (4.16)               | -             | (4.16)        |
| <b>Balance as at March 31, 2024</b>               | -                    | <b>509.88</b> | <b>509.88</b> |
| Additions                                         | -                    | -             | -             |
| Disposals                                         | -                    | -             | -             |
| Transferred to assets held for sale*              | -                    | -             | -             |
| <b>Balance as at March 31, 2025</b>               | -                    | <b>509.88</b> | <b>509.88</b> |
| <b>II. Accumulated amortisation</b>               |                      |               |               |
| <b>Balance as at April 1, 2023</b>                | -                    | <b>203.95</b> | <b>203.95</b> |
| Depreciation / amortisation expenses for the year | 4.28                 | 101.98        | 106.25        |
| Disposals                                         | -                    | -             | -             |
| Transferred to assets held for sale*              | (4.28)               | -             | (4.28)        |
| <b>Balance as at March 31, 2024</b>               | -                    | <b>305.93</b> | <b>305.93</b> |
| Depreciation / amortisation expenses for the year | -                    | 66.28         | 66.28         |
| Disposals                                         | -                    | -             | -             |
| Transferred to assets held for sale *             | -                    | -             | -             |
| <b>Balance as at March 31, 2025</b>               | -                    | <b>372.21</b> | <b>372.21</b> |
| <b>Net (I-II)</b>                                 |                      |               |               |
| <b>Balance as at March 31, 2024</b>               | -                    | <b>203.95</b> | <b>203.95</b> |
| <b>Balance as at March 31, 2025</b>               | -                    | <b>137.67</b> | <b>137.67</b> |

\* Refer Note no 52 for Assets Held for sale



## Notes to the consolidated financial statements for the year ended March 31, 2025

### Non-current assets

#### 4. Investments

(Rs. in Lakhs)

| Particulars                                                                                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>I. Quoted investments (fully paid) carried at fair value through other Comprehensive Income</b> |                         |                         |
| <b>Investments in equity instruments - others</b>                                                  |                         |                         |
| i) 250 (PY: 250) Equity shares of Rs.10/- each in Bannari Amman Sugars Limited                     | 9.09                    | 5.76                    |
| ii) 34 (PY: 34) Equity shares of Rs.10 each in Moil Limited                                        | 0.11                    | 0.09                    |
| <b>Total quoted investments (A)</b>                                                                | <b>9.20</b>             | <b>5.85</b>             |
| <b>II. Unquoted investments (fully paid) carried at cost</b>                                       |                         |                         |
| <b>i) Investments in Equity instruments - others</b>                                               |                         |                         |
| 15,000 (PY: 15,000) Equity shares of Rs.10 each in OPG Metal Power Limited                         | 1.50                    | 1.50                    |
| 1,44,000 (PY: 1,44,000) Equity shares of Rs.11 each in OPG Power Generation Pvt Limited            | 16.56                   | 16.56                   |
| 19000 (PY: 300) Equity shares of Rs.100 each in Hypkrt Power Private Limited                       | 1.90                    | 0.30                    |
| 36,00,000 (PY: 36,00,000) Equity shares of Rs.10 each in Nellai renewables Private Limited         | 360.00                  | 360.00                  |
| <b>ii) Investments in Government securities</b>                                                    |                         |                         |
| Kisan Vikas Patra                                                                                  | 0.03                    | 0.03                    |
| <b>Total Unquoted Investments (B)</b>                                                              | <b>379.99</b>           | <b>378.39</b>           |
| <b>Total (A) + (B)</b>                                                                             | <b>389.19</b>           | <b>384.24</b>           |

(Rs. in Lakhs)

| Particulars                                            | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------------------|-------------------------|-------------------------|
| Aggregate cost of quoted investments                   | 0.37                    | 0.37                    |
| Aggregate market value of quoted investments           | 9.20                    | 5.85                    |
| Aggregate amount of unquoted investments               | 379.99                  | 378.39                  |
| Aggregate amount of impairment in value of investments | -                       | -                       |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

**5 Other financial assets**

(Rs. in Lakhs)

| Particulars                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Security deposits                     | 1,552.59                | 1,054.94                |
| <b>Total - Other financial assets</b> | <b>1,552.59</b>         | <b>1,054.94</b>         |

**6 Other non-current assets**

(Rs. in Lakhs)

| Particulars                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------|-------------------------|-------------------------|
| Capital advances                             | 23.12                   | 223.37                  |
| Advances to Related parties                  | 2.83                    | -                       |
| Advance tax and tax deducted at source (Net) | 56.07                   | 125.12                  |
| <b>Total - Other non-current assets</b>      | <b>82.02</b>            | <b>348.49</b>           |

**7 Inventories**

(Rs. in Lakhs)

| Particulars                      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------|-------------------------|-------------------------|
| Raw materials                    | 6,922.98                | 9,287.97                |
| Goods in transit (Raw materials) | 1,388.99                | 1,781.64                |
| Work-in-progress                 | 2,263.66                | 2,019.53                |
| Finished goods                   | 10,383.08               | 7,329.97                |
| Stores and spares                | 769.56                  | 729.29                  |
| <b>Total</b>                     | <b>21,728.27</b>        | <b>21,148.40</b>        |

**8 Trade receivables**

(Rs. in Lakhs)

| Particulars                                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------|-------------------------|-------------------------|
| a) Trade receivables considered good - Unsecured                    | 15,543.90               | 16,725.26               |
| b) Trade receivables which have significant increase in credit risk | 597.20                  | 552.24                  |
| c) Trade receivables - credit impaired                              | 672.05                  | 717.01                  |
|                                                                     | <b>16,813.15</b>        | <b>17,994.51</b>        |
| Less: Allowance for expected credit loss                            | (1,269.25)              | (1,269.25)              |
| <b>Total - Trade receivables</b>                                    | <b>15,543.90</b>        | <b>16,725.26</b>        |



Notes to the consolidated financial statements for the year ended March 31, 2025

Trade receivables ageing schedule

(Rs. in Lakhs)

| Particulars                                                                      | Outstanding for the following period from the due date of payment |                   |           |           |           | Total     |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------------|-----------|-----------|-----------|-----------|
|                                                                                  | Less than 6 months                                                | 6 months - 1 year | 1-2 years | 2-3 years | > 3 years |           |
| <b>As at March 31, 2025</b>                                                      |                                                                   |                   |           |           |           |           |
| a) Undisputed Trade Receivables - considered good                                | 14,629.93                                                         | 376.85            | 64.51     | 10.92     | 77.97     | 15,160.18 |
| b) Undisputed Trade Receivables - which have significant increase in credit risk | 0.32                                                              | 23.86             | 29.33     | 6.14      | 110.34    | 169.99    |
| c) Undisputed Trade Receivables - credit impaired                                | -                                                                 | 3.21              | 23.30     | 87.21     | 338.68    | 452.40    |
| d) Disputed Trade Receivables - considered good                                  | -                                                                 | 24.77             | 15.49     | -         | 343.46    | 383.72    |
| e) Disputed Trade Receivables - which have significant increase in credit risk   | -                                                                 | 78.59             | 5.16      | -         | 343.46    | 427.21    |
| f) Disputed Trade Receivables credit impaired                                    | -                                                                 | 0.11              | 31.99     | 52.45     | 135.10    | 219.65    |

Trade receivables ageing schedule

(Rs. in Lakhs)

| Particulars                                                                      | Outstanding for the following period from the due date of payment |                   |           |           |           | Total     |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------------|-----------|-----------|-----------|-----------|
|                                                                                  | Less than 6 months                                                | 6 months - 1 year | 1-2 years | 2-3 years | > 3 years |           |
| <b>As at March 31, 2024</b>                                                      |                                                                   |                   |           |           |           |           |
| a) Undisputed Trade Receivables - considered good                                | 16,086.55                                                         | 138.77            | 12.90     | 14.11     | 95.64     | 16,347.97 |
| b) Undisputed Trade Receivables - which have significant increase in credit risk | 9.79                                                              | 76.22             | 7.59      | 7.94      | 103.49    | 205.02    |
| c) Undisputed Trade Receivables - credit impaired                                | -                                                                 | 60.94             | 152.41    | 39.11     | 273.64    | 526.11    |
| d) Disputed Trade Receivables - considered good                                  | -                                                                 | 32.89             | 0.94      | -         | 343.46    | 377.29    |
| e) Disputed Trade Receivables - which have significant increase in credit risk   | -                                                                 | 3.65              | 0.10      | -         | 343.46    | 347.22    |
| f) Disputed Trade Receivables - credit impaired                                  | -                                                                 | 28.32             | 6.26      | -         | 156.33    | 190.90    |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**9A Cash and cash equivalents**

(Rs. in Lakhs)

| Particulars                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------|-------------------------|-------------------------|
| <b>Balances with banks :</b>             |                         |                         |
| - In current accounts                    | 303.67                  | 780.80                  |
| Cheques, drafts on hand                  | 15.61                   | 3.00                    |
| Cash on hand                             | 1.77                    | 5.25                    |
| <b>Total - Cash and cash equivalents</b> | <b>321.05</b>           | <b>789.05</b>           |

**9B Bank balances other than above**

(Rs. in Lakhs)

| Particulars                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------|-------------------------|-------------------------|
| <b>Earmarked balances with banks :</b>        |                         |                         |
| a) Unpaid dividend accounts                   | 1.34                    | 1.91                    |
| b) Deposits with Banks held as margin money   | 238.72                  | 9.32                    |
| <b>Total - Bank balances other than above</b> | <b>240.06</b>           | <b>11.23</b>            |

**10 Loans**

(Rs. in Lakhs)

| Particulars                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------|-------------------------|-------------------------|
| Employee advances (Unsecured, considered good) | 41.23                   | 19.49                   |
| <b>Total - Loans</b>                           | <b>41.23</b>            | <b>19.49</b>            |

**11 Other Financial Assets**

(Rs. in Lakhs)

| Particulars                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Interest accrued on deposits          | 54.76                   | 25.59                   |
| TUF subsidy receivable                | 825.90                  | 665.01                  |
| Other Receivables                     | 1,027.00                | 1,187.90                |
| <b>Total - Other financial assets</b> | <b>1,907.66</b>         | <b>1,878.50</b>         |



## Notes to the consolidated financial statements for the year ended March 31, 2025

### 12 Current tax assets (net)

(Rs. in Lakhs)

| Particulars                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------|-------------------------|-------------------------|
| Current tax assets                      | 563.13                  | 171.36                  |
| <b>Total - Current tax assets (net)</b> | <b>563.13</b>           | <b>171.36</b>           |

### 13 Other current assets

(Rs. in Lakhs)

| Particulars                                          | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------|-------------------------|-------------------------|
| Prepaid expenses                                     | 994.10                  | 883.88                  |
| Advances to Suppliers                                | 757.03                  | 607.25                  |
| Balance with government authorities                  |                         |                         |
| - Duty drawback and other export benefits receivable | 299.08                  | 1,786.81                |
| - GST receivable                                     | 1,864.56                | 1,879.47                |
| - ESI Deposit                                        | 7.58                    | 7.58                    |
| Gratuity                                             | 171.74                  | 184.03                  |
| Rent Advance                                         | 1.50                    | 1.50                    |
| Other Receivable                                     | 5.34                    | 5.35                    |
| <b>Total - Other current assets</b>                  | <b>4,100.93</b>         | <b>5,355.87</b>         |

### 14 Equity

(Rs. in Lakhs)

| Particulars                                                                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Authorised share capital</b>                                                         |                         |                         |
| 15,00,00,000 Equity shares of Rs. 5 each (PY: 15,00,00,000 Equity shares of Rs. 5 each) | 7,500.00                | 7,500.00                |
| <b>Total</b>                                                                            | <b>7,500.00</b>         | <b>7,500.00</b>         |
| <b>Issued, Subscribed and fully paid up share capital</b>                               |                         |                         |
| 6,48,41,871 Equity shares of Rs. 5 each (PY: 6,48,41,871 Equity shares of Rs. 5 each)   | 3,242.09                | 3,242.09                |
| <b>Total</b>                                                                            | <b>3,242.09</b>         | <b>3,242.09</b>         |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**i) Authorised Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

| Particulars                             | As at March 31, 2025 |                       | As at March 31, 2024 |                       |
|-----------------------------------------|----------------------|-----------------------|----------------------|-----------------------|
|                                         | Number of shares     | Amount (Rs. in Lakhs) | Number of shares     | Amount (Rs. in Lakhs) |
| <b>Equity shares</b>                    |                      |                       |                      |                       |
| At the beginning of the period          | 15,00,00,000         | 7,500.00              | 10,00,00,000         | 5,000.00              |
| Add: Increase of shares during the year | -                    | -                     | 5,00,00,000          | 2,500.00              |
| <b>At the end of the period</b>         | <b>15,00,00,000</b>  | <b>7,500.00</b>       | <b>15,00,00,000</b>  | <b>7,500.00</b>       |

**ii) Paid up Share capital - Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period**

| Particulars                     | As at March 31, 2025 |                       | As at March 31, 2024 |                       |
|---------------------------------|----------------------|-----------------------|----------------------|-----------------------|
|                                 | Number of shares     | Amount (Rs. in Lakhs) | Number of shares     | Amount (Rs. in Lakhs) |
| <b>Equity shares</b>            |                      |                       |                      |                       |
| At the beginning of the period  | 6,48,41,871          | 3,242.09              | 6,48,41,871          | 3,242.09              |
| Add: Changes during the period  | -                    | -                     | -                    | -                     |
| <b>At the end of the period</b> | <b>6,48,41,871</b>   | <b>3,242.09</b>       | <b>6,48,41,871</b>   | <b>3,242.09</b>       |

**iii) Terms/rights and restrictions in respect of equity shares :**

The Company has issued only one class of equity share having a face value of Rs.5/- per share. The holder of each equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution to all preferential creditors and other creditors, in the order of priority. The distribution will be in proportion to the number of equity shares held by shareholders. The company declares and pays dividend in Indian Rupees. The dividend proposed, if any, by Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.

**iv) Details of shares held by the holding company**

| Name of the shareholder                              | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------------------------------|----------------------|----------------------|
|                                                      | Number of shares     | Number of shares     |
| <b>Equity shares</b>                                 |                      |                      |
| Murugan Enterprise Private Limited (Holding company) | 3,51,91,255          | 3,51,91,255          |



## Notes to the consolidated financial statements for the year ended March 31, 2025

### v) Shareholders holding more than 5% shares in the company

(Rs. in Lakhs)

| Name of the shareholder                              | As at March 31, 2025 |              | As at March 31, 2024 |              |
|------------------------------------------------------|----------------------|--------------|----------------------|--------------|
|                                                      | Number of shares     | % of holding | Number of shares     | % of holding |
| <b>Equity shares</b>                                 |                      |              |                      |              |
| Murugan Enterprise Private Limited (Holding company) | 3,51,91,255          | 54.27        | 3,51,91,255          | 54.27        |

### vi) Shareholding of Promoters

(Rs. in Lakhs)

| Name of the shareholder                              | As at March 31, 2025 |              | As at March 31, 2024 |              |
|------------------------------------------------------|----------------------|--------------|----------------------|--------------|
|                                                      | Number of shares     | % of holding | Number of shares     | % of holding |
| <b>Equity shares</b>                                 |                      |              |                      |              |
| Murugan Enterprise Private Limited (Holding company) | 3,51,91,255          | 54.27        | 3,51,91,255          | 54.27        |
| S V Arumugam                                         | 6,88,869             | 1.06         | 6,88,869             | 1.06         |

\*There is no change in the shareholding of promoters during the year

## 15 Other Equity

(Rs. in Lakhs)

| Particulars                  | As at March 31, 2025 | As at March 31, 2024 |
|------------------------------|----------------------|----------------------|
| <b>a. Securities premium</b> |                      |                      |
| Opening balance              | 16,129.03            | 16,129.03            |
| Less : Rights issue expenses | (47.74)              | -                    |
| <b>Closing balance</b>       | <b>16,081.29</b>     | <b>16,129.03</b>     |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**15 Other Equity**

(Rs. in Lakhs)

| Particulars                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------|-------------------------|-------------------------|
| <b>b. General reserve</b>                       |                         |                         |
| Opening balance                                 | 16,295.22               | 16,295.22               |
| Add: Transfer from Retained Earnings            | -                       | -                       |
| <b>Closing balance</b>                          | <b>16,295.22</b>        | <b>16,295.22</b>        |
| <b>c. Retained earnings</b>                     |                         |                         |
| Opening balance                                 | 3,623.23                | 5,820.23                |
| Less : Dividend paid during the year            | -                       | -                       |
| Add : Profit / (loss) for the current year      | 719.09                  | (2,197.00)              |
| Add : Adjustment on account of consolidation    | 738.59                  | -                       |
| <b>Closing balance</b>                          | <b>5,080.91</b>         | <b>3,623.23</b>         |
| <b>d. Other Comprehensive Income</b>            |                         |                         |
| Opening balance                                 | 644.23                  | 597.54                  |
| Add : Movement during the year                  | 13.38                   | 46.69                   |
| Add : Adjustment on account of consolidation    | (514.10)                | -                       |
| <b>Closing balance</b>                          | <b>143.51</b>           | <b>644.23</b>           |
| <b>e. Money received against share warrants</b> | <b>655.00</b>           | <b>-</b>                |
| <b>Total Other Equity (a + b + c + d + e)</b>   | <b>38,255.93</b>        | <b>36,691.71</b>        |

**Notes :**

- Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 (the Act) for specified purposes.
- General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, Bonus issue, etc.
- Retained earnings do not contain any amount of revaluation reserve which was transferred to Retained earnings on the transition date, which may not be available for distribution.
- Other comprehensive income represents the cumulative gain/loss arising on remeasurement of defined benefit obligation and fair value changes of financial assets measured at FVTOCI. This would not be reclassified to Statement of Profit and Loss.
- The Company has issued 42,25,806 share warrants to promoters and non-promoters at a price of Rs.62 each which are convertible into equity shares of face value Rs. 5 each within a period of 18 months from the date of allotment. During the year, a part amount representing 25% of the value has been received.



## Notes to the consolidated financial statements for the year ended March 31, 2025

## 16 Borrowings

(Rs. in Lakhs)

| Particulars                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------|-------------------------|-------------------------|
| <b>Secured Borrowings</b>                           |                         |                         |
| -Term loan from banks (Refer note 1 to 6 of Note I) | 19,743.51               | 23,649.70               |
| -Term loan from others (Refer note 7 of Note I)     | 264.27                  | 376.58                  |
| Less: Current maturities of long term debt          | (6,921.67)              | (3,823.61)              |
| <b>Unsecured Borrowings</b>                         |                         |                         |
| -Inter corporate loan (Refer note 9 of Note I)      | 1,200.00                | 1,704.95                |
| <b>Total - Borrowings</b>                           | <b>14,286.11</b>        | <b>21,907.62</b>        |

## Note : I

## Details of terms of repayment and security provided in respect of secured term loans :

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>1. ICICI Bank</b>                       |                         |                         |
| ICICI Bank Limited- GECLS                  | 2,496.33                | 2,786.60                |
| Less: Current maturities of long term debt | (696.65)                | (290.27)                |
| <b>Total</b>                               | <b>1,799.68</b>         | <b>2,496.33</b>         |

**Security for Term Loan - GECLS:**

Second pari passu charge by way of hypothecation of the company's entire stock and other current assets and second pari passu charge on the entire property, plant and equipment of the Company.

**Repayment :** Term Loan (GECLS) : 48 monthly instalments starting from November 2024.

**Rate of interest:** 9.25%

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>2 Indian Bank</b>                       |                         |                         |
| i) Term Loan 1 (TUF & Non-TUF)             | -                       | 73.00                   |
| ii) Term Loan 2 (TUF & Non-TUF)            | 4,063.43                | 4,555.00                |
| iii) Term Loan 3 (TUF & Non-TUF)           | 3,686.00                | 3862.00                 |
| iv) Term Loan 4 (GECLS)                    | 3,053.19                | 4,163.44                |
| Less: Current maturities of long term debt | (4,523.25)              | (1,839.25)              |
| <b>Total</b>                               | <b>6,279.37</b>         | <b>10,814.19</b>        |



## Notes to the consolidated financial statements for the year ended March 31, 2025

### Details of terms of repayment and security provided in respect of secured term loans : (Contd...)

#### Security for Term loans 1,2 & 3:

Pari passu second charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

#### Security for GECLS loan :

Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari passu charge on the entire property, plant and equipment of the company.

#### Repayment & Rate of Interest:

|                                                                    |                          |
|--------------------------------------------------------------------|--------------------------|
| Term Loan 1: 6 Quarterly instalments starting from February 2023.  | Rate of Interest: 12.25% |
| Term Loan 2: 15 Quarterly instalments starting from December 2022. | Rate of Interest: 12.55% |
| Term Loan 3: 24 Quarterly instalments starting from June 2022.     | Rate of Interest: 12.80% |
| Term Loan 4: 48 Monthly instalments starting from January 2024.    | Rate of Interest: 9.25%  |

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>3 DCB Bank Limited</b>                  |                         |                         |
| i) Term Loan                               | -                       | 542.34                  |
| Less: Current maturities of long term debt | -                       | (542.34)                |
| <b>Total</b>                               | <b>-</b>                | <b>-</b>                |

#### Security :

First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

**Repayment :** 24 Monthly instalments starting from February 2023.

**Rate of Interest :** 10.25%

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>4 Indian Overseas Bank</b>              |                         |                         |
| Term loan 1                                | 2,313.33                | 2,440.33                |
| Term loan 2 (GECLS)                        | 1,821.00                | 2,433.00                |
| Less: Current maturities of long term debt | (739.00)                | (583.19)                |
| <b>Total</b>                               | <b>3,395.33</b>         | <b>4,290.14</b>         |

**Security for Term loan 1 :** First pari passu charge on the entire property, plant and equipment of the Company and second pari passu charge on the entire current assets of the Company.

**Security for GECLS loan :** Second pari passu charge by way of hypothecation of the company's entire stocks and other current assets and Second pari passu charge on the entire property, plant and equipment of the company.

#### Repayment and Rate of Interest:

Term Loan 1: 19 Quarterly instalments starting from August 2023 with rate of interest: 11.55%.

Term Loan 2: 48 Monthly instalments starting from July 2024 with rate of interest : 9.25%.


**Notes to the consolidated financial statements for the year ended March 31, 2025**

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>5 Union Bank of India</b>               |                         |                         |
| - Term Loan (GECLS)                        | 966.63                  | 1,221.00                |
| Less: Current maturities of long term debt | (305.25)                | (339.17)                |
| <b>Total</b>                               | <b>661.38</b>           | <b>881.83</b>           |

**Security :**

Second pari passu charge on the entire property, plant and equipment of the Company and Second pari passu on the other current assets of the company and second pari passu charge on stocks and other current assets of the company.

**Repayment :** 36 Monthly instalments starting from July 2024.

**Rate of Interest :** 9.25%

(Rs. in Lakhs)

| Particulars                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------------------|-------------------------|-------------------------|
| <b>6 Punjab National Bank</b>              |                         |                         |
| - Term Loan (GECLS)                        | 1,343.60                | 1,573.00                |
| Less: Current maturities of long term debt | (393.25)                | (229.40)                |
| <b>Total</b>                               | <b>950.35</b>           | <b>1,343.60</b>         |

**Security:** Second pari-passu charge on the entire property, plant and equipments of the Company and second pari-passu on the other current assets of the Company and second pari-passu charge on stocks and other current assets of the Company.

**Repayment :** 48 monthly instalments starting from September 2024.

**Rate of Interest :** 9.25%.

**Term loan from others :**

(Rs. in Lakhs)

| Particulars                                    | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------|-------------------------|-------------------------|
| <b>7 SIPCOT Soft Loan</b>                      | 264.27                  | 487.93                  |
| Less: Government grant (Refer note (ii) below) | (264.27)                | (111.35)                |
| <b>Total</b>                                   | <b>-</b>                | <b>376.58</b>           |

- i) First charge by way of equitable mortgage over factory land and building and hypothecation of other movable assets financed by SIPCOT for the expansion project ranking pari passu with other banks and property, plant and equipment of the expansion scheme of spinning units located at Velvarkottai Village, Dindigul, Weaving unit and Knitting unit at Karanampet, Coimbatore.
- ii) **The Government of Tamil Nadu in its order :** G.O. Ms. No. 126, dated October 20, 2009, has granted an amount equivalent to net output VAT + CST paid through expansion project to Government as Investment Promotion Soft Loan for a period of 10 years, subject to terms and conditions mentioned in the Eligibility Certificate ID/SPA/BSML/2010 dated 30 April 2013. The soft loan will carry a nominal rate of 0.1% per annum. The soft loan availed in the financial years 2014-15, 2015-16 and 2016-17 and is repayable on the 10<sup>th</sup> year from the date of availment. This is considered as Government grant and accordingly the loan amount is carried at amortised cost considering an effective interest rate of 12.16%. The Government grant income is recognised proportionately in relation to the interest expense.


**Notes to the consolidated financial statements for the year ended March 31, 2025**

(Rs. in Lakhs)

| Particulars              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------|-------------------------|-------------------------|
| <b>8 Unsecured Loans</b> |                         |                         |
| From Related Parties     | 1,200.00                | 1,704.95                |
| <b>Total</b>             | <b>1,200.00</b>         | <b>1,704.95</b>         |

Repayment : On or before June, 2027.

Rate of Interest : 10%.

**17 Lease liabilities - Non-current**

(Rs. in Lakhs)

| Particulars                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Lease liability on account of land and building lease | 27.45                   | 56.61                   |
| <b>Total - Lease liabilities - Non-current</b>        | <b>27.45</b>            | <b>56.61</b>            |

**18 Deferred Tax Liabilities**

(Rs. in Lakhs)

| Particulars                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------|-------------------------|-------------------------|
| Deferred tax Liabilities                 | 1,059.43                | 10,036.07               |
| Deferred tax Assets                      | (64.87)                 | (8,505.26)              |
| Deferred tax (Assets)/ Liabilities (Net) | 994.56                  | 1,530.80                |
| <b>Total - Deferred Tax Liabilities</b>  | <b>994.56</b>           | <b>1,530.80</b>         |

Refer Note No. 43 for Significant components of Deferred Tax (Assets) / Liabilities recognised in the financial statements

**19 Other non current liabilities**

(Rs. in Lakhs)

| Particulars                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------|-------------------------|-------------------------|
| Government grant - Sipcot Soft loan          | -                       | 65.93                   |
| <b>Total - Other non current liabilities</b> | <b>-</b>                | <b>65.93</b>            |

**20 Borrowings**

(Rs. in Lakhs)

| Particulars                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------|-------------------------|-------------------------|
| <b>Secured borrowings</b>                                  |                         |                         |
| Loans repayable on demand from banks (Refer Note II)       | 23,566.07               | 23,099.89               |
| Liability for Bills discounted from Banks (Refer Note III) | 1,891.43                | 1,809.66                |
| Current maturities of long term borrowings (Refer Note I)  | 6,921.67                | 3,823.61                |
| <b>Total - Borrowings</b>                                  | <b>32,379.17</b>        | <b>28,733.16</b>        |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

**Note - II**

(Rs. in Lakhs)

| Particulars                                                                                                                                                                                                                                                                                                                                                                                                                                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>1) Bank of Maharashtra</b><br>Working capital limit: Rs. 500 lakhs<br>Rate of Interest : 12.35%<br>Security : First pari-passu charge by way of hypothecation of stock and book debts and all other current assets and second pari-passu charge on the entire property, plant and equipment of the Company.                                                                                                                                     | 441.26                  | 357.48                  |
| <b>2) Bank of Bahrain and Kuwait B.S.C.</b><br>Working capital limit: Rs. 2,000 lakhs<br>Non - fund based limit: Rs. 200 lakhs<br>Rate of Interest : 11.00%<br>Security : First pari-passu charge on the entire current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                         | -                       | 600.00                  |
| <b>3) ICICI Bank Limited</b><br>Working capital limit: Rs. 3,000 lakhs<br>Non - fund based limit: Rs. 1,000 lakhs<br>Rate of Interest : 11.50%<br>Security : First pari-passu charge on Company's entire stock, consumable stores and spares and such other movables including book-debts, bills, outstanding monies, receivables both present and future and Second pari-passu charge on the entire property, plant and equipment of the Company. | 3,919.46                | 3,624.95                |
| <b>4) Indian Bank</b><br>Working capital limit: Rs. 5,200 lakhs<br>Rate of Interest : 12.70%<br>Security: First pari-passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                                                                                                | 2,370.38                | 3,120.00                |
| <b>5) Indian Overseas Bank</b><br>Working capital limit: Fund based: Rs. 10,000 lakhs<br>Non - fund based limit: Rs. 2,500 lakhs<br>Rate of Interest : WCDL - 10.95% ; OCC - 12.15%<br>Security: First pari-passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future                                                                                          | 9,408.43                | 7,138.18                |
| <b>6) Karur Vysya Bank</b><br>Working capital limit: Rs.1,250 lakhs<br>Interest rate: 11.05%<br>Security: First pari-passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                                                                                                                                | 318.98                  | 389.30                  |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**Note - II (Contd...)**

(Rs. in Lakhs)

| Particulars                                                                                                                                                                                                                                                                                                                                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>7) Punjab National Bank</b><br>Working capital limit: Rs. 5,800 lakhs<br>Non - fund based limit: Rs. 2,500 lakhs<br>Rate of Interest : 13.50%<br>Security: First pari-passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future                                              | 2,464.25                | 3,272.07                |
| <b>8) Union Bank of India</b><br>Working capital limit: Rs. 6,250 lakhs (PY: Rs. 6,750 lakhs)<br>Non - fund based limit: Rs. 1,235 lakhs (PY: Rs. 1,235 lakhs)<br>Rate of Interest : 10.85%<br>Security : First pari-passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future. | 3,447.12                | 2,912.02                |
| <b>9) DCB Bank</b><br>Working capital limit: Rs. 2,500 lakhs<br>Rate of Interest : WCDL - 9.96% ; OCC - 11.20%<br>Security: First pari-passu charge on all current assets and Second pari-passu charge on the entire property, plant and equipment of the Company present and future.                                                                               | 1,196.19                | 1,685.89                |

**Note - III**
**Liability for bills discounted from banks**

(Rs. in Lakhs)

| Particulars                                              | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------------|-------------------------|-------------------------|
| Indian Overseas Bank                                     | 1,891.43                | 1,809.66                |
| <b>Total - Liability for bills discounted from banks</b> | <b>1,891.43</b>         | <b>1,809.66</b>         |

**21 Lease Liabilities - Current**

(Rs. in Lakhs)

| Particulars                                           | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------|-------------------------|-------------------------|
| Lease liability on account of land and building lease | 32.95                   | 12.82                   |
| <b>Total - Lease liabilities - Current</b>            | <b>32.95</b>            | <b>12.82</b>            |



Notes to the consolidated financial statements for the year ended March 31, 2025

22 Trade Payable

(Rs. in Lakhs)

| Particulars                                                      | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|------------------------------------------------------------------|-------------------------|-------------------------|
| a) Total outstanding dues of micro and small enterprises         | 940.76                  | 2,350.50                |
| b) Total outstanding dues other than micro and small enterprises | 4,210.02                | 7,581.13                |
| <b>Total</b>                                                     | <b>5,150.78</b>         | <b>9,931.63</b>         |

| Trade payables ageing schedule | Outstanding for following period from due date of payment |                     |              |             |              | Total           |
|--------------------------------|-----------------------------------------------------------|---------------------|--------------|-------------|--------------|-----------------|
|                                | Unbilled                                                  | Less than<br>1 year | 1-2 years    | 2-3 years   | > 3 years    |                 |
| <b>As at March 31, 2025</b>    |                                                           |                     |              |             |              |                 |
| a) MSME                        | -                                                         | 940.76              | -            | -           | -            | 940.76          |
| b) Others                      | -                                                         | 4,152.73            | 41.59        | 2.70        | 13.00        | 4,212.02        |
| c) Disputed dues - MSME        | -                                                         | -                   | -            | -           | -            | -               |
| d) Disputed dues - Others      | -                                                         | -                   | -            | -           | -            | -               |
| <b>Total</b>                   | <b>-</b>                                                  | <b>5,093.49</b>     | <b>41.59</b> | <b>2.70</b> | <b>13.00</b> | <b>5,150.78</b> |

| Trade payables ageing schedule | Outstanding for following period from due date of payment |                     |              |              |             | Total           |
|--------------------------------|-----------------------------------------------------------|---------------------|--------------|--------------|-------------|-----------------|
|                                | Unbilled                                                  | Less than<br>1 year | 1-2 years    | 2-3 years    | > 3 years   |                 |
| <b>As at March 31, 2024</b>    |                                                           |                     |              |              |             |                 |
| a) MSME                        | -                                                         | 2,350.50            | -            | -            | -           | 2,350.50        |
| b) Others                      | -                                                         | 7,486.76            | 79.11        | 11.03        | 4.23        | 7,581.13        |
| c) Disputed dues - MSME        | -                                                         | -                   | -            | -            | -           | -               |
| d) Disputed dues - Others      | -                                                         | -                   | -            | -            | -           | -               |
| <b>Total</b>                   | <b>-</b>                                                  | <b>9,837.26</b>     | <b>79.11</b> | <b>11.03</b> | <b>4.23</b> | <b>9,931.63</b> |

23 Other Financial liabilities

(Rs. in Lakhs)

| Particulars                                        | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------------|-------------------------|-------------------------|
| Unpaid Dividend                                    | 1.34                    | 1.91                    |
| Security deposits received                         | 13.44                   | 0.13                    |
| Interest accrued on borrowings and other payables  | 140.46                  | 183.29                  |
| Contractually reimbursable expenses                | 10.98                   | -                       |
| Payable on purchase of property, plant & equipment | 2.00                    | 2.41                    |
| <b>Total - Other financial liabilities</b>         | <b>168.22</b>           | <b>187.74</b>           |

**Notes to the consolidated financial statements for the year ended March 31, 2025****24 Other Current liabilities**

(Rs. in Lakhs)

| Particulars                                                   | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------|-------------------------|-------------------------|
| Advance from customers                                        | 396.14                  | 410.82                  |
| Advance received towards sale of property, plant & equipments | 94.30                   | 94.30                   |
| Government grant - Sipcot soft loan                           | 59.99                   | 45.42                   |
| Statutory Remittances                                         | 107.66                  | 111.66                  |
| Salary Payables                                               | -                       | -                       |
| Liability for Expenses                                        | 1,744.87                | 1,044.26                |
| <b>Total - Other current liabilities</b>                      | <b>2,402.96</b>         | <b>1,706.46</b>         |

**25 Provisions**

(Rs. in Lakhs)

| Particulars                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------|-------------------------|-------------------------|
| Provision for employee benefits |                         |                         |
| - Compensated absences          | 70.67                   | 80.87                   |
| - Bonus                         | 60.64                   | 55.64                   |
| Provision for Income Tax (net)  | 721.82                  | -                       |
| <b>Total - Provisions</b>       | <b>853.13</b>           | <b>136.51</b>           |



## Notes to the consolidated financial statements for the year ended March 31, 2025

### 26 Revenue from operations

(Rs. in Lakhs)

| Particulars                                                  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>a) Sale of Products</b>                                   |                                   |                                   |
| <b>a. Manufactured goods</b>                                 |                                   |                                   |
| Yarn                                                         | 49,204.58                         | 52,679.61                         |
| Fabrics                                                      | 23,352.47                         | 25,602.93                         |
| Waste cotton                                                 | 6,811.80                          | 6,491.27                          |
| Made ups                                                     | 4,375.19                          | 3,674.39                          |
| <b>b. Traded goods</b>                                       |                                   |                                   |
| Yarn                                                         | 215.05                            | -                                 |
| Cotton                                                       | 146.38                            | -                                 |
|                                                              | <b>84,105.47</b>                  | <b>88,448.20</b>                  |
| Less: Sales Discount                                         | 81.70                             | 79.85                             |
| <b>Total</b>                                                 | <b>84,023.77</b>                  | <b>88,368.35</b>                  |
| <b>b) Sale of Services</b>                                   |                                   |                                   |
| Sizing charges, CMT charges, knitting and processing charges | 3,163.33                          | 3,035.69                          |
| <b>Total</b>                                                 | <b>3,163.33</b>                   | <b>3,035.69</b>                   |
| <b>c) Other operating revenues</b>                           |                                   |                                   |
| Sale of scrap                                                | 290.00                            | 328.20                            |
| Yarn second sales                                            | 1.56                              | 73.74                             |
| Duty drawback and other export incentives                    | 673.08                            | 539.05                            |
| Claims and other requests                                    | 573.72                            | -                                 |
| Others - Windmill carbon credit                              | 10.60                             | 6.85                              |
| <b>Total</b>                                                 | <b>1,548.76</b>                   | <b>947.84</b>                     |
| <b>Total - Revenue from operations</b>                       | <b>88,735.86</b>                  | <b>92,351.88</b>                  |

The Company disaggregate the revenue based on geographical locations and it is disclosed under note 41 Segment reporting.

### 27. Other Income

(Rs. in Lakhs)

| Particulars                                                  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------|-----------------------------------|-----------------------------------|
| a) Interest income (Refer Note (i) below)                    | 120.50                            | 51.41                             |
| b) Net gain on foreign currency transactions and translation | 116.66                            | 86.49                             |
| c) Other non-operating income (Refer Note (ii) below)        | 7.60                              | 1,784.46                          |
| <b>Total - Other Income</b>                                  | <b>244.76</b>                     | <b>1,922.36</b>                   |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**Note**

(Rs. in Lakhs)

| Particulars                                          | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>i) Interest income comprises :</b>                |                                   |                                   |
| Interest on security deposits                        | 120.50                            | 51.41                             |
| <b>Total - Interest income</b>                       | <b>120.50</b>                     | <b>51.41</b>                      |
| <b>ii) Other non-operating income comprises:</b>     |                                   |                                   |
| Non-Competing fee                                    | -                                 | 1,446.00                          |
| Profit on sale of investment (Net)                   | -                                 | 14.96                             |
| Profit on sale of property plant and equipment (Net) | -                                 | 110.03                            |
| Agricultural Income                                  | 4.83                              | 3.63                              |
| Gain on termination of leases                        | 0.06                              | 4.75                              |
| Remission of Liability                               | -                                 | 52.40                             |
| Others - Sundry creditors written back               | 2.71                              | 150.75                            |
| Other receipts                                       | -                                 | 1.94                              |
| <b>Total - Other non-operating income</b>            | <b>7.60</b>                       | <b>1,784.46</b>                   |

**28. Cost of materials consumed**

(Rs. in Lakhs)

| Particulars                              | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------|-----------------------------------|-----------------------------------|
| Opening stock                            | 10,813.32                         | 13,881.20                         |
| Add: Purchases                           | 61,391.28                         | 64,057.11                         |
|                                          | <b>72,204.60</b>                  | <b>77,938.31</b>                  |
| Less: Closing stock                      | 6,747.05                          | 10,813.32                         |
| <b>Total - Cost of material consumed</b> | <b>65,457.55</b>                  | <b>67,124.99</b>                  |

**29. Purchase of Stock-in Trade**

(Rs. in Lakhs)

| Particulars                                   | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-----------------------------------------------|-----------------------------------|-----------------------------------|
| Purchase of Stock-in Trade - Yarn             | 971.12                            | 103.99                            |
| <b>Total - Purchase of Stock - in - Trade</b> | <b>971.12</b>                     | <b>103.99</b>                     |



## Notes to the consolidated financial statements for the year ended March 31, 2025

### 30. Changes in inventories of finished goods and work-in-progress

(Rs. in Lakhs)

| Particulars                                       | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Inventories at the end of the year :</b>       |                                   |                                   |
| Finished goods                                    | 10,383.08                         | 6,986.29                          |
| Work-in-progress                                  | 2,263.66                          | 2,012.31                          |
| <b>Total</b>                                      | <b>12,646.74</b>                  | <b>8,998.60</b>                   |
| <b>Inventories at the beginning of the year :</b> |                                   |                                   |
| Finished goods                                    | 6,986.29                          | 9,698.77                          |
| Work-in-progress                                  | 2,021.31                          | 1,934.22                          |
| <b>Total</b>                                      | <b>8,998.60</b>                   | <b>11,632.99</b>                  |
| <b>Net (increase) / decrease</b>                  | <b>(3,648.14)</b>                 | <b>2,634.39</b>                   |

### 31. Employee benefits expense

(Rs. in Lakhs)

| Particulars                                | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------|-----------------------------------|-----------------------------------|
| Salaries, wages and bonus                  | 6,118.76                          | 6,278.25                          |
| Contributions to provident and other funds | 605.46                            | 583.11                            |
| Staff welfare expenses                     | 1,361.24                          | 1,392.16                          |
| <b>Total - Employee benefit expense</b>    | <b>8,085.46</b>                   | <b>8,253.52</b>                   |

### 32. Finance Costs

(Rs. in Lakhs)

| Particulars                                                            | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>a) Interest expense on financial liabilities at amortised cost:</b> |                                   |                                   |
| - Borrowings                                                           | 4,222.26                          | 4,634.64                          |
| - Operating lease liabilities                                          | 6.35                              | 10.46                             |
| <b>b) Other borrowing costs</b>                                        | <b>273.55</b>                     | <b>264.47</b>                     |
| <b>Total - Finance costs</b>                                           | <b>4,502.16</b>                   | <b>4,909.57</b>                   |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**33. Depreciation and amortization expense**

(Rs. in Lakhs)

| Particulars                                          | For the<br>year ended<br>March 31, 2025 | For the<br>year ended<br>March 31, 2024 |
|------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| a) Depreciation on Tangible assets                   | 2,485.73                                | 2,819.89                                |
| b) Depreciation on Intangible assets                 | 66.28                                   | 101.98                                  |
| c) Depreciation on Right of Use assets               | 36.74                                   | 66.68                                   |
| <b>Total - Depreciation and amortization expense</b> | <b>2,588.75</b>                         | <b>2,988.55</b>                         |

**34. Other Expenses**

(Rs. in Lakhs)

| Particulars                                                     | For the<br>year ended<br>March 31, 2025 | For the<br>year ended<br>March 31, 2024 |
|-----------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Rent including lease rentals                                    | 27.10                                   | 7.90                                    |
| Communication expenses                                          | 38.31                                   | 30.83                                   |
| Travelling and conveyance                                       | 110.20                                  | 86.00                                   |
| Printing and stationery                                         | 42.26                                   | 37.03                                   |
| Quality claim                                                   | 99.41                                   | 56.56                                   |
| Hank yarn obligation                                            | 13.71                                   | 4.38                                    |
| Business promotion expenses                                     | 11.82                                   | 5.66                                    |
| Donation                                                        | 0.37                                    | 0.10                                    |
| Water                                                           | 115.47                                  | 49.30                                   |
| Consumption of stores and spare parts                           | 2.18                                    | 2.08                                    |
| Manufacturing expenses                                          | 115.53                                  | 116.49                                  |
| Consumption of packing materials                                | 754.04                                  | 704.78                                  |
| Power, fuel and water charges                                   | 6,067.74                                | 5,843.97                                |
| Repairs and maintenance - Building                              | 71.49                                   | 103.32                                  |
| Repairs and maintenance - Machinery                             | 1,248.67                                | 1,227.91                                |
| Repairs and maintenance - Others                                | 469.50                                  | 323.14                                  |
| Insurance                                                       | 259.20                                  | 303.40                                  |
| Rates and taxes                                                 | 283.58                                  | 338.08                                  |
| Freight and forwarding charges                                  | 695.35                                  | 692.66                                  |
| Sales commission                                                | 606.44                                  | 639.30                                  |
| Legal and professional charges                                  | 199.34                                  | 257.81                                  |
| Security Service Charges                                        | 10.83                                   | 18.07                                   |
| Regulatory & Compliance expenses                                | 0.62                                    | 0.40                                    |
| Payments to Auditors (Refer note (i) below)                     | 35.85                                   | 34.25                                   |
| Directors Sitting Fees                                          | 15.00                                   | 5.30                                    |
| Corporate Social Responsibility expenditure (Refer note 36)     | 1.20                                    | 14.05                                   |
| Agricultural Expenses                                           | 0.33                                    | 1.12                                    |
| Provision for bad and doubtful trade receivables                | -                                       | 17.93                                   |
| Bad trade and other receivables, loans and advances written off | 46.57                                   | 215.32                                  |
| Net loss on foreign currency transactions and translation       | -                                       | 65.68                                   |
| Loss on sale of property plant and equipment (Net)              | 21.23                                   | -                                       |
| Miscellaneous expenses                                          | 49.95                                   | 34.23                                   |
| <b>Total - Other expenses</b>                                   | <b>11,413.29</b>                        | <b>11,237.04</b>                        |



## Notes to the consolidated financial statements for the year ended March 31, 2025

### Note (i) - Payments to auditors:

(Rs. in Lakhs)

| Particulars                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------|-----------------------------------|-----------------------------------|
| Payments to Auditors comprises                 |                                   |                                   |
| - Statutory audit fees and Limited review fees | 25.00                             | 23.00                             |
| - Other services                               | 10.10                             | 9.95                              |
| - Reimbursement of expenses                    | 0.75                              | 1.30                              |
| <b>Total</b>                                   | <b>35.85</b>                      | <b>34.25</b>                      |

### 35. Details of Undisclosed Income, if any

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

### 36. Corporate Social responsibility

(Rs. in Lakhs)

| Particulars                                                | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Holding company</b>                                     |                                   |                                   |
| Amount required to be spent by the Company during the year | -                                 | 12.12                             |
| Amount of expenditure incurred                             | 1.20                              | 14.05                             |
| Shortfall at the end of the year                           | -                                 | -                                 |
| Total of Previous Years shortfall                          | -                                 | -                                 |
| <b>Subsidiary company</b>                                  |                                   |                                   |
| Amount required to be spent by the Company during the year | -                                 | 20.65                             |
| Amount of expenditure incurred                             | -                                 | 20.00                             |
| Set-off of earlier year accumulation                       | -                                 | 0.65                              |
| Shortfall at the end of the year                           | -                                 | -                                 |
| Total of Previous Years shortfall                          | -                                 | -                                 |

#### Nature of CSR Activities:

The CSR initiatives of the Company aim towards inclusive development of the communities by promoting education and providing basic needs for the economically weaker section of the society.

#### Note :

- i) The Company has not made any contribution to Related parties in relation to CSR Expenditure during the year and previous year.

### 37. Details of Crypto currency or Virtual currency, if any

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**38 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006**

(Rs. in Lakhs)

| Particulars                                                                                                                                                                                                                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of the period                                                                                                                                 |                         |                         |
| - Principal amount due to micro and small enterprise                                                                                                                                                                                        | 940.76                  | 2,350.50                |
| - Interest due on above                                                                                                                                                                                                                     | -                       | -                       |
| ii) Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period                | -                       | -                       |
| iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006 | -                       | -                       |
| iv) Interest accrued and remaining unpaid at the end of the period                                                                                                                                                                          | -                       | -                       |
| v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises                                                                              | -                       | -                       |

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**39 Contingent liabilities and commitments (to the extent not provided for)**

(Rs. in Lakhs)

| Particulars                                                                                     | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>I) Contingent liabilities:</b>                                                               |                         |                         |
| <b>A) Claims against the Company not acknowledged as debts:-</b>                                |                         |                         |
| a) TANGEDCO demands, pending in appeal                                                          | 1,814.80                | 1,505.18                |
| b) Income tax demands (already adjusted against refund)                                         | -                       | 5.12                    |
| c) Service Tax                                                                                  | -                       | 75.08                   |
| d) Town Planning Authority                                                                      | -                       | 79.60                   |
| e) Employee Provident Fund                                                                      | -                       | 77.91                   |
| <b>B) Contingent Liabilities On Account Of Guarantees :-</b>                                    |                         |                         |
| a) Guarantees issued to bankers                                                                 | -                       | 18.74                   |
| b) Corporate guarantee given for loans to Bank                                                  | -                       | 5,500.00                |
| c) Guarantees issued in favour of Supplier                                                      | 112.46                  | 112.46                  |
| <b>II. Commitments</b>                                                                          |                         |                         |
| Estimated amount of contracts remaining to be executed on capital account and not provided for: |                         |                         |
| Tangible Assets                                                                                 | 1,823.32                | 1,429.67                |



## Notes to the consolidated financial statements for the year ended March 31, 2025

### 40 Employee benefit plans

#### A. Defined contribution plans - provident fund and employee state insurance

The Group makes Provident Fund and Employee state insurance scheme contributions to defined contribution plans for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised the following contributions in the Statement of profit and loss:

(Rs. in Lakhs)

| Particulars              | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------|-----------------------------------|-----------------------------------|
| Provident fund           | 545.43                            | 869.64                            |
| Employee state insurance | 93.36                             | 239.03                            |

#### B. Defined benefit plan - gratuity

In accordance with applicable Indian laws, the Holding Company provides for gratuity, a defined benefit retirement plan (Gratuity plan). The Gratuity plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn eligible salary and the years of employment with the Group. The Holding Company provides the gratuity benefit through annual contributions to a fund managed by the Insurer included as part of 'Contribution to provident and other funds in Note 31 Employee benefits expense. Under this plan, the settlement obligation remains with the Holding Company.

##### Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

- Interest Rate Risk :** The plan exposes the Holding Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- Investment Risk :** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- Salary Escalation Risk :** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- Demographic Risk :** The Holding Company has used certain mortality and attrition assumptions in valuation of the liability. The Holding Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- Liquidity Risk :** This is the risk that the Holding Company is not able to meet the short-term gratuity payouts. This may arise due to non-availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan in India, the most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at March 31, 2025 by Mr. N. Srinivasan, Fellow of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.



**Notes to the consolidated financial statements for the year ended March 31, 2025**

The following table sets out the funded status of the gratuity scheme:

(Rs. in Lakhs)

| Particulars                                                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Components of employer expense</b>                                          |                                   |                                   |
| Current service cost                                                           | 86.69                             | 153.89                            |
| Interest cost                                                                  | 44.72                             | 73.83                             |
| Expected return on plan assets                                                 | (59.62)                           | (59.22)                           |
| <b>Recognised in statement of profit and loss</b>                              | 71.79                             | 168.50                            |
| Re-measurement - actuarial (gain)/loss recognised in OCI                       | (15.41)                           | (77.99)                           |
| <b>Total expense recognised in the Statement of total comprehensive income</b> | <b>56.38</b>                      | <b>90.51</b>                      |
| <b>Other Comprehensive Income (OCI)</b>                                        |                                   |                                   |
| Actuarial (gain)/loss due to DBO experience                                    | (44.43)                           | (106.56)                          |
| Actuarial (gain)/loss due to DBO assumption changes                            | 20.21                             | 21.25                             |
| Actuarial (gain)/loss arising during period                                    | (24.22)                           | (85.31)                           |
| Actual return on plan assets (greater)/less interest on plan assets            | 8.81                              | 7.32                              |
| <b>Actuarial (gains)/losses recognized in OCI</b>                              | <b>(15.41)</b>                    | <b>(77.99)</b>                    |
| <b>Defined benefit cost</b>                                                    |                                   |                                   |
| Service cost                                                                   | 86.69                             | 153.89                            |
| Net interest on net defined benefit liability / (asset)                        | (14.90)                           | 14.61                             |
| Actuarial (gains)/losses recognized in OCI                                     | (15.41)                           | (77.99)                           |
| <b>Defined benefit cost</b>                                                    | <b>56.38</b>                      | <b>90.51</b>                      |
| <b>Change in defined benefit obligation (DBO) during the year</b>              |                                   |                                   |
| Present value of DBO at beginning of the year                                  | 1,060.78                          | 1,053.39                          |
| Current service cost                                                           | 86.69                             | 153.89                            |
| Interest cost                                                                  | 44.72                             | 73.83                             |
| Actuarial (gains)/losses                                                       | (24.22)                           | (85.31)                           |
| Benefits paid                                                                  | (68.48)                           | (135.03)                          |
| Less: On account of sale of subsidiary                                         | (408.02)                          | -                                 |
| <b>Present value of DBO at the end of the year</b>                             | <b>691.47</b>                     | <b>1,060.78</b>                   |
| <b>Actual contribution and benefit payments for year</b>                       |                                   |                                   |
| Actual benefit payments                                                        | 68.48                             | 135.03                            |
| Actual contributions                                                           | 44.09                             | 91.43                             |
| <b>Change in fair value of assets during the year</b>                          |                                   |                                   |
| Plan assets at beginning of the year                                           | 836.79                            | 783.80                            |
| Expected return on plan assets                                                 | 59.62                             | 59.22                             |
| Actual company contributions                                                   | 44.09                             | 91.43                             |
| Actuarial gain / (loss)                                                        | (8.81)                            | (7.32)                            |
| Benefits paid                                                                  | (68.48)                           | (90.34)                           |
| <b>Plan assets at the end of the year</b>                                      | <b>863.21</b>                     | <b>836.79</b>                     |
| Actual return on plan assets                                                   | 50.81                             | 51.90                             |



Notes to the consolidated financial statements for the year ended March 31, 2025

The following table sets out the funded status of the gratuity scheme (Contd...)

(Rs. in Lakhs)

| Particulars                                                      | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Current and Non-Current Asset / Liability portion</b>         |                                   |                                   |
| Current Asset                                                    | 171.74                            | 184.03                            |
| Liabilities - Discontinued operations                            | -                                 | (408.02)                          |
| <b>Net Asset / (Liability)</b>                                   | <b>171.74</b>                     | <b>(223.99)</b>                   |
| <b>Net asset / (liability) recognised in the Balance Sheet :</b> |                                   |                                   |
| Present value of defined benefit obligation                      | (691.47)                          | (1,060.78)                        |
| Fair value of plan assets                                        | 863.21                            | 836.79                            |
| Funded status (Surplus / (Deficit))                              | 171.74                            | (223.99)                          |
| <b>Net asset / (liability) recognised in the Balance Sheet</b>   | <b>171.74</b>                     | <b>(223.99)</b>                   |
| <b>Composition of the plan assets is as follows:</b>             |                                   |                                   |
| Government securities                                            | -                                 | -                                 |
| Debentures and bonds                                             | -                                 | -                                 |
| Fixed deposits                                                   | -                                 | -                                 |
| Insurer managed funds*                                           | 100%                              | 100%                              |
| <b>Total</b>                                                     | <b>863.21</b>                     | <b>836.79</b>                     |

\*Funds are managed by Life Insurance Corporation of India and composition of the fund as at the balance sheet date was not provided by the insurer.

| Actuarial assumptions          | Holding Company                                   |                                                   | Subsidiary Company |                                                   |
|--------------------------------|---------------------------------------------------|---------------------------------------------------|--------------------|---------------------------------------------------|
|                                | 31.3.2025                                         | 31.3.2024                                         | 31.3.2025          | 31.3.2024                                         |
| Discount rate                  | 6.85%                                             | 7.23%                                             | -                  | 7.17%                                             |
| Expected return on plan assets | 7.23%                                             | 7.55%                                             | -                  | 0.00%                                             |
| Retirement age                 | 58                                                | 58                                                | -                  | 58                                                |
| Mortality rate                 | Indian Assured Lives Mortality (2012-14) Ultimate | Indian Assured Lives Mortality (2012-14) Ultimate | -                  | Indian Assured Lives Mortality (2012-14) Ultimate |
| Attrition rate                 | 5.00%                                             | 5.00%                                             | -                  | 30.00%                                            |
| Salary escalation              | 5.00%                                             | 5.00%                                             | -                  | 8.00%                                             |

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.



## Notes to the consolidated financial statements for the year ended March 31, 2025

### Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

(Rs. in Lakhs)

| Gratuity Plan                                                         | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------------------|-------------------------|-------------------------|
| Estimate value of obligation if discount rate is taken 1% higher      | 645.53                  | 994.72                  |
| Estimate value of obligation if discount rate is taken 1% lower       | 744.69                  | 1,136.57                |
| Estimate value of obligation if salary growth rate is taken 1% higher | 743.49                  | 1,133.22                |
| Estimate value of obligation if salary growth rate is taken 1% lower  | 645.85                  | 996.65                  |
| Estimate value of obligation if attrition rate is taken 1% higher     | 694.76                  | 1,061.61                |
| Estimate value of obligation if attrition rate is taken 1% lower      | 687.58                  | 1,059.37                |

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

### Maturity profile of defined benefit obligation:

(Rs. in Lakhs)

| Maturity profile, if it ensues | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|--------------------------------|-------------------------|-------------------------|
| 1 Year                         | 39.60                   | 128.88                  |
| 2 Year                         | 36.66                   | 75.44                   |
| 3 Year                         | 40.81                   | 63.80                   |
| 4 Year                         | 48.35                   | 56.06                   |
| 5 Year                         | 38.70                   | 58.05                   |
| 6-10 years                     | 143.55                  | 206.05                  |
| Above 10 Years                 | 343.80                  | 472.50                  |

### Asset Liability Matching Strategies

#### Experience Adjustments:

(Rs. in Lakhs)

| Particulars                                                | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2023 | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| 1. Defined Benefit Obligation                              | 691.47                  | 1,060.78                | 1,053.39                | 964.44                  | 773.14                  |
| 2. Fair value of plan assets                               | 863.21                  | 836.79                  | 783.80                  | 616.80                  | 617.21                  |
| 3. Surplus/(Deficit)                                       | 171.74                  | (223.99)                | (269.60)                | (347.64)                | (155.93)                |
| 4. Experience adjustment on plan liabilities ((Gain)/Loss) | (44.43)                 | (106.56)                | (6.39)                  | 144.27                  | 107.45                  |
| 5. Experience adjustment on plan assets (Gain/(Loss))      | (8.81)                  | (7.32)                  | 69.55                   | (6.74)                  | (2.48)                  |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

**41 Segment Reporting**

**a) Primary business segment information**

The Group's operations relate to only one business segment, viz., Textiles. Accordingly, this is the only reportable business segment.

**b) Secondary geographic segment information**

(Rs. in Lakhs)

| Geographic Segment                          | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Revenue from Continuing Operations</b>   |                                   |                                   |
| Outside India                               | 6,811.57                          | 7,946.69                          |
| India                                       | 81,924.29                         | 84,405.19                         |
| <b>Revenue from Discontinued Operations</b> |                                   |                                   |
| Outside India                               | 164.70                            | 26,064.25                         |
| India                                       | 164.32                            | 8,042.04                          |

All non- current assets of the Group are located in India.

There is no single external customer from whom revenue from transactions exceed 10% of company's total revenue in respect of Holding Company.

**c) Transactions with single external customer which amounts to 10% or more of the revenue for Erstwhile Subsidiary Company.**

(Rs. in Lakhs)

| Particulars                                                            | Revenue   | Percentage to Total Revenue of the Subsidiary Company |
|------------------------------------------------------------------------|-----------|-------------------------------------------------------|
| American Eagle Outfitters Canada Corporation, United States of America | -         | -                                                     |
| March 31, 2025                                                         | -         | -                                                     |
| March 31, 2024                                                         | 11,451.65 | 36.79%                                                |
| Jockey International Inc., United States of America                    | -         | -                                                     |
| March 31, 2025                                                         | -         | -                                                     |
| March 31, 2024                                                         | 9,174.23  | 29.47%                                                |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

**42. Related party transactions**

**Details of related parties:**

| Description of relationship                                                               | Name of related parties                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Holding company                                                                           | Murugan Enterprise Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Subsidiaries                                                                              | Young Brand Apparel Private Limited (till 5.6.2024)<br>Young Brand Global Private Limited (till 5.6.2024)<br>Bannari Infotech Private Limited (formely known as Bannari Amman Infinite Trendz Private Limited)                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Enterprises in which the Key management Personnel or relatives have significant influence | Anamallais Automobiles Private Limited<br>Anamallais Agencies Private Limited<br>Anamallais Motors Private Limited<br>Shiva Automobiles Private Limited<br>Vedanayagam Oil Company<br>Sakthi Murugan Transports Private Limited<br>Jahnvi Motor Private Limited<br>Coimbatore Anamallais Agencies Private Limited<br>Bannari Amman Flour Mill Private Limited<br>Bannari Amman Retails Private Limited<br>Shiva Mills Limited (W.e.f 03.09.2024)<br>Shiva Texyarn Limited (w.e.f. 03.09.2024)                                                                                                                                                                          |
| Key Management Personnel (KMP)                                                            | Sri S V Arumugam, Managing Director<br>Smt. Arumugam Gayatri, Joint Managing Director<br>Sri. T.V. Guru Krishnan, Chief Financial Officer<br>Sri N Krishnaraj, Company Secretary<br>Sri S Seshadri, Chief Financial Officer<br>Dr K R Thillainathan, Director (upto 25.8.2024)<br>Sri S Palaniswami, Director (upto 25.8.2024)<br>Sri K Sadhasivam, Director<br>Smt S Sihamani, Director<br>Smt Priya Bhansali, Director (w.e.f 29.5.2024)<br>Smt Sadhana Vidhya Shankar, Director, (w.e.f 3.9.2024)<br>Sri K P Ramakrishnan, Director, (w.e.f 29.5.2024)<br>Sri S K Sundararaman, Director, (w.e.f 3.9.2024)<br>Sri Tharanipathy Rajkumar, Director, (w.e.f 3.9.2024) |
| Relative of KMP                                                                           | Smt A Umadevi<br>Sri A Senthil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**Details of transactions during the year and balance outstanding as at the balance sheet date:**

(Rs. in Lakhs)

| Particulars                     | Related Party                                  | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|---------------------------------|------------------------------------------------|-------------------------|-------------------------|
| Transactions during the year:   |                                                |                         |                         |
| Sale of fabric                  | Shiva Texyarn Limited                          | 72.16                   | -                       |
| Scrap Sales                     | Shiva Texyarn Limited                          | 4.07                    |                         |
| Conversion/Job work income      | Shiva Texyarn Limited                          | 8.78                    | -                       |
| Commission Paid                 | Bannari Amman Retails Private Limited          | -                       | 38.36                   |
| Vehicle maintenance paid        | Shiva Automobiles Private Limited              | 6.10                    | 6.24                    |
|                                 | Jahnvi Motor Private Limited                   | 5.13                    | 6.30                    |
|                                 | Coimbatore Anamallais Agencies Private Limited | -                       | 0.01                    |
| Staff Quarters Maintenance      | Shiva Mills Limited                            | 7.08                    | -                       |
| Purchase of Yarn                | Shiva Mills Limited                            | 123.13                  | -                       |
|                                 | Shiva Texyarn Limited                          | 11.88                   | -                       |
| Purchase of fuel                | Vedanayagam Oil Company                        | 1.74                    | 3.31                    |
| Rent paid                       | Anamallais Automobiles Private Limited         | 14.23                   | 14.73                   |
|                                 | Sakthi Murugan Transports Private Limited      | 4.64                    | 4.76                    |
|                                 | Smt A Umadevi                                  | 12.00                   | 12.00                   |
| Fabric Processing charges       | Shiva Texyarn Limited                          | 0.27                    | -                       |
| Advances repaid                 | Bannari Amman Retails Private Limited          | -                       | 34.00                   |
| Inter corporate deposits repaid | Murugan Enterprise Private Limited             |                         |                         |
| Advances given                  | Bannari Amman Retails Private Limited          | 0.44                    | -                       |
| Inter corporate deposits repaid | Murugan Enterprise Private Limited             | 500.00                  | -                       |
| Interest paid                   | Murugan Enterprise Private Limited             | 149.86                  | 170.47                  |
|                                 | Sakthi Murugan Transports Private Limited      |                         |                         |
| Remuneration of KMP             | Sri S V Arumugam, Managing Director            | 60.00                   | 60.00                   |
|                                 | Smt. Gayatri Arumugam                          | 11.44                   | 54.00                   |
|                                 | Sri T V Guru Krishnan                          | 14.47                   | 48.62                   |
|                                 | Sri N Krishnaraj, Company Secretary            | 24.55                   | 30.09                   |
|                                 | Sri S Seshadri, Chief Financial Officer        | 23.39                   | 22.29                   |
| Sitting fees to KMP             | Sri C Sivasamy, Director                       | 1.85                    | 0.70                    |
|                                 | Dr K R Thillainathan, Director                 | 0.70                    | 1.30                    |
|                                 | Sri S Palaniswami, Director                    | 0.20                    | 1.30                    |
|                                 | Sri K Sadhasivam, Director                     | 2.45                    | 1.50                    |
|                                 | Smt Priya Bhansali, Director                   | 2.35                    |                         |
|                                 | Smt Sadhana Vidhya Shankar, Director           | 1.75                    |                         |
|                                 | Sri K P Ramakrishnan, Director                 | 2.60                    |                         |
|                                 | Sri S K Sundararaman, Director                 | 0.25                    |                         |
|                                 | Sri Tharanipathy Rajkumar, Director            | 1.00                    |                         |
|                                 | Smt S Sihamani, Director                       | 1.85                    | 0.80                    |



**Notes to the consolidated financial statements for the year ended March 31, 2025**

(Rs. in Lakhs)

| Particulars                                  | Related Party                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|----------------------------------------------|-------------------------------------------|-------------------------|-------------------------|
| <b>Balances outstanding as at year end :</b> |                                           |                         |                         |
| <b>Receivables</b>                           | Bannari Amman Retails Private Limited     | 33.27                   | 32.82                   |
|                                              | Anamallais Automobiles Private Limited    | 0.27                    | 0.27                    |
|                                              | Anamallais Agencies Private Limited       | 0.02                    | 0.02                    |
|                                              | Anamallais Motors Private Limited         | 0.21                    | 0.21                    |
|                                              | Bannari Amman Flour Mill Private Limited  | 0.02                    | 0.02                    |
|                                              | Shiva Texyarn Limited                     | 47.27                   | -                       |
| <b>(Payables)</b>                            | Vedanayagam Oil Company                   | (0.06)                  | (0.11)                  |
|                                              | Sakthi Murugan Transports Private Limited | (0.51)                  | (0.50)                  |
|                                              | Anamallais Automobiles Private Limited    | (0.60)                  | (2.11)                  |
|                                              | Murugan Enterprise Private Limited        | (1,200.00)              | (1,712.99)              |
|                                              | Shiva Automobiles Private Limited         | (1.14)                  | -                       |
|                                              | Shiva Mills Limited                       | (32.09)                 | -                       |
|                                              | Smt A Umadevi                             | (0.90)                  | (1.00)                  |
|                                              | Shiva Texyarn Limited                     | (12.83)                 | -                       |

Note: i) Related party relationship is as identified by the Group on the basis of information available with the Group and relied upon by the Auditors.

ii) The above transactions are compiled from the date these parties became related which are accounted in the natural head of accounts.

**43 Income tax recognised :**

(Rs. in Lakhs)

| Particulars                                                        | For the year ended<br>March 31, 2025 |                                  | For the year ended<br>March 31, 2024 |                                  |
|--------------------------------------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
|                                                                    | Statement of<br>Profit and<br>Loss   | Other<br>comprehensive<br>income | Statement of<br>Profit and<br>Loss   | Other<br>comprehensive<br>income |
| <b>For continuing operations</b>                                   |                                      |                                  |                                      |                                  |
| <b>Current tax :</b>                                               |                                      |                                  |                                      |                                  |
| In respect of current year                                         | -                                    | -                                | -                                    | -                                |
| <b>Deferred tax :</b>                                              |                                      |                                  |                                      |                                  |
| In respect of current year                                         | (183.38)                             | 5.38                             | (762.93)                             | 23.25                            |
| <b>Income tax expense/(savings) for continuing operations</b>      | <b>(183.38)</b>                      | <b>5.38</b>                      | <b>(762.93)</b>                      | <b>23.25</b>                     |
| <b>For discontinuing operations</b>                                |                                      |                                  |                                      |                                  |
| <b>Current tax :</b>                                               |                                      |                                  |                                      |                                  |
| In respect of current year                                         | 721.82                               | -                                | 539.96                               | -                                |
| <b>Deferred tax :</b>                                              |                                      |                                  |                                      |                                  |
| In respect of current year                                         | (134.78)                             | -                                | (350.00)                             | 2.88                             |
| <b>Income tax expense / (savings) for discontinuing operations</b> | <b>587.04</b>                        | <b>-</b>                         | <b>189.96</b>                        | <b>2.88</b>                      |
| <b>Total income tax expense / (savings)</b>                        | <b>403.66</b>                        | <b>5.38</b>                      | <b>(572.97)</b>                      | <b>26.13</b>                     |



## Notes to the consolidated financial statements for the year ended March 31, 2025

## Movement in deferred tax balances

(Rs. in Lakhs)

| Particulars                                                                                           | Opening Balance   | Recognised in Profit and Loss | Recognised in other comprehensive income | Others          | Closing Balance   |
|-------------------------------------------------------------------------------------------------------|-------------------|-------------------------------|------------------------------------------|-----------------|-------------------|
| <b>For the year ended March 31, 2025</b>                                                              |                   |                               |                                          |                 |                   |
| <b>Tax effect of items constituting deferred tax (asset)</b>                                          |                   |                               |                                          |                 |                   |
| Provision for doubtful trade receivables                                                              | (443.53)          | -                             | -                                        | -               | (443.53)          |
| Provision for compensated absences and gratuity and fair value of gain / (loss) on equity instruments | 81.42             | (36.96)                       | 5.38                                     | -               | 49.84             |
| Brought forward & current year losses                                                                 | (3,388.70)        | 301.64                        | -                                        | -               | (3,087.06)        |
| Unabsorbed depreciation                                                                               | -                 | -                             | -                                        | -               | -                 |
| Minimum alternate tax (net)                                                                           | (4,736.75)        | (721.82)                      | -                                        | -               | (5,458.57)        |
| On account of difference in treatment of expenditure                                                  | (67.43)           | -                             | -                                        | 57.91           | (9.52)            |
| On account of sale of subsidiary                                                                      | -                 | -                             | -                                        | -               | -                 |
| Others                                                                                                | (8.18)            | 1.07                          | -                                        | -               | (7.11)            |
| <b>Tax effect of items constituting deferred tax (asset)</b>                                          | <b>(8,563.17)</b> | <b>(456.07)</b>               | <b>5.38</b>                              | <b>57.91</b>    | <b>(8,955.95)</b> |
| <b>Tax effect of items constituting deferred tax liability</b>                                        |                   |                               |                                          |                 |                   |
| On difference between book balance and tax balance of fixed assets                                    | 10,547.66         | 137.91                        | -                                        | (735.06)        | 9,950.51          |
| Remeasurement of defined benefit plans                                                                | 7.95              | -                             | -                                        | (7.95)          | -                 |
| Deferred tax on gain on acquisition of control                                                        | 223.47            | -                             | -                                        | (223.47)        | -                 |
| <b>Tax effect of items constituting deferred tax liability</b>                                        | <b>10,779.08</b>  | <b>137.91</b>                 | <b>-</b>                                 | <b>(966.48)</b> | <b>9,950.51</b>   |
| <b>Net Deferred tax (asset) / liability</b>                                                           | <b>2,215.91</b>   | <b>(318.16)</b>               | <b>5.38</b>                              | <b>(908.57)</b> | <b>994.56</b>     |
| <b>For the year ended March 31, 2024</b>                                                              |                   |                               |                                          |                 |                   |
| <b>Tax effect of items constituting deferred tax (asset)</b>                                          |                   |                               |                                          |                 |                   |
| Provision for doubtful trade receivables                                                              | (437.26)          | (6.27)                        | -                                        | -               | (443.53)          |
| Provision for compensated absences and gratuity and fair value of gain / (loss) on equity instruments | (13.03)           | 71.20                         | 23.25                                    | -               | 81.42             |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**Movement in deferred tax balances (Contd...)**

(Rs. in Lakhs)

| Particulars                                                                   | Opening Balance   | Recognised in Profit and Loss | Recognised in other comprehensive income | Others   | Closing Balance   |
|-------------------------------------------------------------------------------|-------------------|-------------------------------|------------------------------------------|----------|-------------------|
| Brought forward & current year losses                                         | (1,916.91)        | (1,471.79)                    | -                                        | -        | (3,388.70)        |
| Unabsorbed depreciation                                                       | -                 |                               |                                          |          | -                 |
| Minimum alternate tax (net)                                                   | (4,936.75)        | 200.00                        | -                                        | -        | (4,736.75)        |
| On account of difference in treatment of expenditure                          | (12.62)           | (54.81)                       |                                          |          | (67.43)           |
| Others                                                                        | (9.64)            | 1.46                          | -                                        | -        | (8.18)            |
| <b>Tax effect of items constituting deferred tax (asset)</b>                  | <b>(7,326.22)</b> | <b>(1,260.21)</b>             | <b>23.25</b>                             | <b>-</b> | <b>(8,563.17)</b> |
| <b>Tax effect of items constituting deferred tax liability</b>                |                   |                               |                                          |          |                   |
| On difference between book base and tax base of property, plant and equipment | 10,400.38         | 147.28                        | -                                        | -        | 10,547.66         |
| Remeasurement of defined benefit plans                                        | 5.07              |                               | 2.88                                     |          | 7.95              |
| Deferred tax on gain on acquisition of control                                | 223.47            |                               |                                          |          | 223.47            |
| <b>Tax effect of items constituting deferred tax liability</b>                | <b>10,628.92</b>  | <b>147.28</b>                 | <b>2.88</b>                              | <b>-</b> | <b>10,779.08</b>  |
| <b>Net Deferred tax (asset) / liability</b>                                   | <b>3,302.70</b>   | <b>(1,112.93)</b>             | <b>26.13</b>                             | <b>-</b> | <b>2,215.91</b>   |

**Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:**

(Rs. in Lakhs)

| Particulars                                                               | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Profit / (loss) before tax                                                | 1,122.75                          | (1,986.26)                        |
| Enacted income tax rate in India                                          | 34.94%                            | 34.94%                            |
| Computed expected tax expense                                             | 392.29                            | (694.00)                          |
| On account of enacted tax rates                                           | 1,016.86                          | (11.53)                           |
| On account of permanent differences                                       | (0.33)                            | 156.18                            |
| On account of deferred tax income on origination of temporary differences | (17.09)                           | (113.32)                          |
| On account of previously unrecognised tax loss                            | (55.05)                           | 6.86                              |
| On account of profit on sale of investment                                | (967.31)                          | -                                 |
| Others                                                                    | 34.27                             | 82.84                             |
| <b>Income tax expense recognised in the statement of profit and loss</b>  | <b>403.66</b>                     | <b>(572.97)</b>                   |



## Notes to the consolidated financial statements for the year ended March 31, 2025

44 Borrowing cost capitalised under property, plant and equipment

Nil

Nil

### 45 Leases

The Holding Company has entered into leasing arrangements in respect of lease hold land and residential/office premise. The leasing arrangements, which are generally cancellable, have lease periods ranging between 11 and 60 months in case of premises and between 30 to 90 years in case of land. They are generally renewable by mutual consent on mutually agreeable terms. The operating leases are cancellable by lessor/lessee with notice period up to three months.

#### Movement in lease liabilities during the year:

##### Lease Liabilities

(Rs. in Lakhs)

| Particulars            | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------|-----------------------------------|-----------------------------------|
| Opening balance        | 69.43                             | 139.47                            |
| Additions              | 27.53                             | 63.02                             |
| Deletions              | (0.81)                            | (68.74)                           |
| Interest               | 6.35                              | 10.46                             |
| Lease payments         | (42.10)                           | (74.77)                           |
| <b>Closing balance</b> | <b>60.40</b>                      | <b>69.43</b>                      |
| Current                | 32.95                             | 12.82                             |
| Non-current            | 27.45                             | 56.61                             |

#### Maturity analysis of OLL

The details of the maturities of lease liabilities as at March 31, 2025 and March 31, 2024 on an undiscounted basis are as follows:

| Particulars       | As at March 31, 2025 | As at March 31, 2024 |
|-------------------|----------------------|----------------------|
| 1 year            | 37.42                | 84.47                |
| 1 to 5 years      | 29.32                | 47.75                |
| More than 5 years | -                    | -                    |

#### Lease rent expense on short-term and low value lease debited to Statement of Profit and Loss

| Particulars                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------------------------|-----------------------------------|-----------------------------------|
| Lease rent relating to continuing operations   | 27.10                             | 7.90                              |
| Lease rent relating to discontinued operations | 3.58                              | 73.39                             |


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**46. Financial Instruments**

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 are as follows:

(Rs. in Lakhs)

| Particulars                                                 | Carrying value          |                         | Fair value              |                         |
|-------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                                             | As at<br>March 31, 2025 | As at<br>March 31, 2024 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
| <b>Financial assets</b>                                     |                         |                         |                         |                         |
| <b>Amortised cost</b>                                       |                         |                         |                         |                         |
| Loans                                                       | 41.23                   | 40.99                   | -                       | -                       |
| Trade receivable                                            | 15,543.90               | 22,110.23               | -                       | -                       |
| Cash and cash equivalents                                   | 321.05                  | 1,190.44                | -                       | -                       |
| Other bank balances                                         | 240.06                  | 407.46                  | -                       | -                       |
| Other financial assets                                      | 3,460.25                | 3,046.77                | -                       | -                       |
| Investment in government securities                         | 0.03                    | 0.03                    | -                       | -                       |
| Investments in equity and preference instruments (unquoted) | 379.96                  | 438.36                  | -                       | -                       |
| <b>FVTOCI</b>                                               |                         |                         |                         |                         |
| Investment in equity instruments                            | 9.20                    | 5.85                    | 9.20                    | 5.85                    |
| <b>Total assets</b>                                         | <b>19,995.68</b>        | <b>27,240.13</b>        | <b>9.20</b>             | <b>5.85</b>             |
| <b>Financial liabilities</b>                                |                         |                         |                         |                         |
| <b>Amortised cost</b>                                       |                         |                         |                         |                         |
| Borrowings                                                  | 46,665.28               | 56,819.21               | -                       | -                       |
| Lease liabilities                                           | 60.40                   | 69.43                   | -                       | -                       |
| Trade payables                                              | 5,150.78                | 11,708.03               | -                       | -                       |
| Other financial liabilities                                 | 168.22                  | 864.86                  | -                       | -                       |
| <b>Total liabilities</b>                                    | <b>52,044.68</b>        | <b>69,461.53</b>        | <b>-</b>                | <b>-</b>                |

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.



## Notes to the consolidated financial statements for the year ended March 31, 2025

The following methods and assumptions were used to estimate the fair values:

- i) Long-term fixed-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- ii) Fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2025 was assessed to be insignificant.

### 47 Fair value hierarchy

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2025 and March 31, 2024:

(Rs. in Lakhs)

| Particulars                                                                               | Total | Fair value measurement using |           |           |
|-------------------------------------------------------------------------------------------|-------|------------------------------|-----------|-----------|
|                                                                                           |       | Level - 1                    | Level - 2 | Level - 3 |
| <b>Financial assets measured at fair value:</b>                                           |       |                              |           |           |
| <b>FVTOCI financial assets designated at fair value: Date of valuation March 31, 2025</b> |       |                              |           |           |
| Investment in equity instruments (quoted)                                                 |       |                              |           |           |
| As at March 31, 2025                                                                      | 9.20  | 9.20                         | -         | -         |
| As at March 31, 2024                                                                      | 5.85  | 5.85                         | -         | -         |

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

### 48 Financial risk management

The Group's principal financial liabilities, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group's principal financial assets include loans, trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Group is foreign exchange risk. The Group uses foreign currency borrowings to mitigate foreign exchange related risk exposures.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### 1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and



**Notes to the consolidated financial statements for the year ended March 31, 2025**

investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Group assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

**2) Trade and other receivables**

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

**The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:**

(Rs. in Lakhs)

| Particulars                  | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|------------------------------|-----------------------------------|-----------------------------------|
| Revenue from top customer    | 4,857.29                          | 16,906.81                         |
| Revenue from top 5 customers | 11,058.23                         | 38,409.00                         |

**3) Investments**

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors.

**4) Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk through credit limits with banks.

The Group's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

**The working capital position of the Group is given below:**

(Rs. in Lakhs)

| Particulars               | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------|----------------------|----------------------|
| Cash and cash equivalents | 321.05               | 1,190.44             |
| Other bank balances       | 240.06               | 407.46               |
| <b>Total</b>              | <b>561.11</b>        | <b>1,597.90</b>      |

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2025 and March 31, 2024.



Notes to the consolidated financial statements for the year ended March 31, 2025

(Rs. in Lakhs)

| Particulars                 | As at          | Less than 1 year | 1-2 years | 2 years and above |
|-----------------------------|----------------|------------------|-----------|-------------------|
| Borrowings                  | March 31, 2025 | 32,379.17        | 7,123.31  | 7,162.80          |
|                             | March 31, 2024 | 32,688.05        | 7,792.82  | 16,338.34         |
| Trade payables              | March 31, 2025 | 5,150.78         | -         | -                 |
|                             | March 31, 2024 | 11,708.03        | -         | -                 |
| Lease liabilities           | March 31, 2025 | 32.95            | 22.79     | 4.66              |
|                             | March 31, 2024 | 12.82            | 45.08     | 11.53             |
| Other financial liabilities | March 31, 2025 | 168.22           | -         | -                 |
|                             | March 31, 2024 | 864.86           | -         | -                 |

5) Foreign currency risk

The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in U.S. dollars, British pound sterling and Euros) and foreign currency borrowings (primarily in U.S. dollars, British pound sterling and Euros). A significant portion of the Group's revenues are in these foreign currencies, while a significant portion of its costs are in Indian rupees. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues measured in rupees may decrease. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's management meets on a periodic basis to formulate the strategy for foreign currency risk management..

Consequently, the management of the Group believes that the borrowings in foreign currency and its assets in foreign currency shall mitigate the foreign currency risk mutually to some extent.

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2025 and March 31, 2024:

(Rs. in Lakhs)

| Particulars               | As at          | US\$     | Euro     | Pound/Sterling | Total    |
|---------------------------|----------------|----------|----------|----------------|----------|
| <b>Assets</b>             |                |          |          |                |          |
| Trade receivables*        | March 31, 2025 | 644.82   | 1,521.09 | 38.02          | 2,203.93 |
|                           | March 31, 2024 | 1,600.32 | 1,738.12 | 36.15          | 3,374.60 |
| Cash and cash equivalents | March 31, 2025 | -        | -        | -              | -        |
|                           | March 31, 2024 | 0.87     | -        | 0.03           | 0.90     |
| <b>Liabilities</b>        |                |          |          |                |          |
| Trade payable             | March 31, 2025 | -        | -        | -              | -        |
|                           | March 31, 2024 | 134.55   | -        | -              | 134.55   |
| Borrowings                | March 31, 2025 | -        | -        | -              | -        |
|                           | March 31, 2024 | -        | -        | -              | -        |
| Net assets/(liabilities)  | March 31, 2025 | 644.82   | 1,521.09 | 38.02          | 2,203.93 |
|                           | March 31, 2024 | 1,466.64 | 1,738.12 | 36.18          | 3,240.95 |

\* Trade receivables excluding allowance for doubtful trade receivables.



## Notes to the consolidated financial statements for the year ended March 31, 2025

### Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in INR against all foreign currencies dealt by the Group. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

(Rs. in Lakhs)

| Particulars                                                                    | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Impact on profit or (loss) for the year on account of rupee appreciation by 5% | 72.76                             | 127.70                            |

For a 5% weakening of the INR against the relevant currency, there would be equivalent amount of impact on the profit / (loss) as mentioned in the above table.

### 6) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates and investments.

### Interest rate sensitivity analysis

If interest rates had been 1% higher and all other variables were held constant, the Group's profit / (loss) for the year ended would have impacted in the following manner:

(Rs. in Lakhs)

| Particulars                                               | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|-----------------------------------------------------------|-----------------------------------|-----------------------------------|
| Increase / (decrease) in the profit / (loss) for the year | (435.74)                          | (565.50)                          |

If interest rates were 1% lower, the Group's profit would have increased by the equivalent amount as shown in the above table.

### 7) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group monitors the return on capital. The Group's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.



## Notes to the consolidated financial statements for the year ended March 31, 2025

The capital structure is as follows :

(Rs. in Lakhs)

| Particulars                                                                 | As at<br>March 31, 2025 | As at<br>March 31, 2024 |
|-----------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Total equity attributable to the equity share holders of the company</b> | <b>41,354.51</b>        | <b>39,289.57</b>        |
| As percentage of total capital                                              | 47%                     | 41%                     |
| Current borrowings                                                          | 32,379.17               | 32,688.05               |
| Non-current borrowings                                                      | 14,286.11               | 24,131.16               |
| <b>Total borrowings</b>                                                     | <b>46,665.28</b>        | <b>56,819.20</b>        |
| As a percentage of total capital                                            | 53%                     | 59%                     |
| <b>Total capital (borrowings and equity)</b>                                | <b>88,019.79</b>        | <b>96,108.77</b>        |

### 49. Valuation of Inventories :

Inventories of raw materials are valued at lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials, packing materials, stores and spares and consumables are valued at first-in-first-out/ specific identification method.

The inventory of Finished Goods and Work-in-progress is valued at the lower of cost and net realizable value, and cost include weighted average of cost of inputs, conversion costs and appropriate share of overheads incurred in bringing Finished Goods and Work-in-progress, to their present location and condition. This inventory comprises of diversified range and quality of yarn and cloth / fabrics, and its valuation depends on the quality of the item as per the specification received from the customers, and its stage of manufacturing, quality and date of purchase of the raw material and other inputs, and efficiency of the manufacturing facility. The Holding Company is running a composite textile mill and fairly estimating the valuation of such stock is highly complex process which involves significant level of subjectivity, judgment and estimation.

### 50 Additional Regulatory Information

#### i) Title Deeds of Immovable Properties not held in the name of the Group

The title deeds of all the immovable properties are held in the name of the Group.

#### ii) Revaluation of Property, Plant and Equipment

The Group has not revalued its Property, Plant and Equipment during the year.

#### iii) Loans and advances granted to Promoters, Directors, KMPs and related parties

The following disclosures are made in respect of loans and advances in the nature of loans granted to promoters, directors, KMP's and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are:


**Notes to the consolidated financial statements for the year ended March 31, 2025**
**a) Repayable on demand**

(Rs. in Lakhs)

| Type of Borrower | 31.03.2025                                                  |                                                                   | 31.03.2024                                                  |                                                                   |
|------------------|-------------------------------------------------------------|-------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------|
|                  | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total Loans and Advances in the nature of loans |
| Related Parties  | -                                                           | 0%                                                                | -                                                           | 0%                                                                |

**iv) Details of Benami Property**

The Group does not hold any benami property. Hence, no proceedings have been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

**v) Reconciliation of Statement of Current Assets filed by the Group with banks for Working Capital facilities availed by the Group:**

During the period under consideration, the Holding Company have borrowings from banks on the basis of security of Current Assets and the Quarterly Statements of Current Assets filed by the Holding Company with the banks are in agreement with the books of accounts for all the quarters of the year.

**vi) Wilful Defaulter**

The Group is not declared as a wilful defaulter by any bank or financial Institution or other lender.

**vii) Undisclosed income**

The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

**viii) Relationship with Struck off Companies**

The Group did not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year ended March 31, 2025

**ix) Registration of Charges or Satisfaction with Registrar Of Companies.**

The Group does not have any charges or satisfactions yet to be registered with Registrar of Companies beyond the statutory period.

**x) Layers of companies**

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**xi) Approved scheme(s) of arrangements**

During the year, there is no approved scheme of arrangements.

**xii) Utilisation of Borrowed Funds and Share Premium**

A) The Group has not advanced or loaned to or invested (either from borrowed funds or share premium or any other sources or kind of funds) in any other person(s) or entity(ies), including foreign entities ("intermediaries"), with the understanding, whether the understanding, whether recorded in writing or otherwise, that the intermediary shall whether, directly or indirectly lend or invest in other persons or



## Notes to the consolidated financial statements for the year ended March 31, 2025

entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- B) The Group has not received any funds from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 51. Reconciliation of change in liabilities arising from financing activities

(Rs. in Lakhs)

| Particulars                                              | As at<br>April 01, 2024 | Proceeds      | Repayment         | Others            | As at<br>March 31, 2025 |
|----------------------------------------------------------|-------------------------|---------------|-------------------|-------------------|-------------------------|
| Non-current borrowings<br>(including current maturities) | 28,936.56               | -             | (4,518.50)        | (3,210.28)        | 21,207.78               |
| Current borrowings                                       | 27,882.65               | 547.95        | -                 | (2,973.10)        | 25,457.50               |
| Lease liabilities                                        | 69.43                   | -             | (42.10)           | 33.07             | 60.40                   |
| <b>Total</b>                                             | <b>56,888.64</b>        | <b>547.95</b> | <b>(4,560.60)</b> | <b>(6,150.31)</b> | <b>46,725.68</b>        |

| Particulars                                              | As at<br>April 01, 2023 | Proceeds | Repayment         | Others      | As at<br>March 31, 2024 |
|----------------------------------------------------------|-------------------------|----------|-------------------|-------------|-------------------------|
| Non-current borrowings<br>(including current maturities) | 33,843.08               | -        | (4,906.52)        | -           | 28,936.56               |
| Current borrowings                                       | 28,109.35               | -        | (226.70)          | -           | 27,882.65               |
| Lease liabilities                                        | 139.47                  | -        | (74.77)           | 4.73        | 69.43                   |
| <b>Total</b>                                             | <b>62,091.90</b>        | <b>-</b> | <b>(5,207.99)</b> | <b>4.73</b> | <b>56,888.64</b>        |

### 52 Assets Classified as Held for Sale

- The Holding Company entered into an agreement to sell dated March 30, 2011 with Shiva Tex Yarn Limited for the sale of part of land situated at Velvarkottai, Dindigul and Kodangipalayam, Karanampet, Coimbatore, valued at Rs.56.72 lakhs. Accordingly, the said amount is disclosed as assets held for sale. As the Company is yet to receive the clearance from the lenders with respect to such lands, the same has been reclassified from asset held for sale to Property, Plant and Equipment during the year ended March 31, 2025.
- The Company had classified its fixed assets of garment unit at Palladam and land at SIPCOT, Perundurai as Assets held for Sale and also presented the same as discontinued operations in the statement of profit or loss. Accordingly the company has not charged depreciation of Rs 44.34 lakhs and Rs 179.76 lakhs for the quarter and year ended 31.03.2025 on the assets held in Garment division as they are part of the disposal group as per Ind AS 105.
- The Holding Company had sold entire shares held in the erstwhile subsidiary, Young Brand Apparel Private Limited for a sale consideration of Rs.7,954 lakhs and recognised the gain on disposal of subsidiary in the statement of Profit and Loss as profit from discontinued operations and the financial impact has been disclosed in the Other Equity of the Consolidated Financial Statements.


**Notes to the consolidated financial statements for the year ended March 31, 2025**

d. Results of the same for the year are presented below:

(Rs. in Lakhs)

| Particulars                                                               | 31.03.2025      | 31.03.2024       |
|---------------------------------------------------------------------------|-----------------|------------------|
| <b>INCOME</b>                                                             |                 |                  |
| I Revenue from Operations                                                 | 329.03          | 34,106.29        |
| II Other Income                                                           | 2,487.53        | 833.05           |
| <b>III Total Income (I+II)</b>                                            | <b>2,816.56</b> | <b>34,939.34</b> |
| <b>IV EXPENSES</b>                                                        |                 |                  |
| Cost of materials consumed                                                | 87.36           | 17,184.10        |
| Changes in inventories of finished goods and work-in-progress             | 351.96          | 2,950.61         |
| Employee benefits expense                                                 | 83.56           | 8,068.39         |
| Finance costs                                                             | 225.24          | 1,113.75         |
| Depreciation and amortization expense                                     | -               | 531.18           |
| Other expenses                                                            | 556.12          | 4,099.76         |
| <b>Total Expenses (IV)</b>                                                | <b>1,304.24</b> | <b>33,947.79</b> |
| <b>VII Profit/(Loss) before tax from discontinued operations (III-IV)</b> | <b>1,512.32</b> | <b>991.55</b>    |
| <b>VIII Tax Expense of discontinued operations</b>                        |                 |                  |
| 1) Current tax - current year                                             | 721.82          | 539.91           |
| 2) Current tax for prior years                                            | -               | 0.05             |
| 3) Deferred tax Expenses / (Savings)                                      | (134.78)        | (350.00)         |
| <b>IX Profit/(Loss) from discontinued operations after tax (VII-VIII)</b> | <b>925.28</b>   | <b>801.59</b>    |

e. Assets classified as held for sale and liabilities associated with held for sale are as follows:

(Rs. in Lakhs)

| Particulars                                             | 31.03.2025      | 31.03.2024       |
|---------------------------------------------------------|-----------------|------------------|
| <b>Assets</b>                                           |                 |                  |
| <b>1) Non-Current Assets</b>                            |                 |                  |
| a) Property, Plant and Equipment                        | 4,780.11        | 13,176.54        |
| b) Capital Work-in-Progress                             | -               | 76.57            |
| c) Intangible Assets                                    | -               | 19.16            |
| d) Financial Assets                                     |                 |                  |
| i) Investments                                          | -               | 60.00            |
| ii) Other Financial Assets                              | -               | 113.33           |
| e) Other non-current assets                             | -               | 94.14            |
| <b>Total Non-Current Assets</b>                         | <b>4,780.11</b> | <b>13,539.74</b> |
| <b>2) Current Assets</b>                                |                 |                  |
| a) Inventories                                          | -               | 4,052.41         |
| b) Financial Assets                                     |                 |                  |
| i) Trade receivables                                    | -               | 5,384.97         |
| ii) Cash and cash equivalents                           | -               | 401.39           |
| iii) Bank balances other than Cash and cash equivalents | -               | 396.23           |
| iv) Loans                                               | -               | 21.50            |
| c) Other Current Assets                                 | -               | 1,895.95         |
| <b>Total Current Assets</b>                             | <b>-</b>        | <b>12,152.45</b> |
| <b>Total Assets (1 to 2)</b>                            | <b>4,780.11</b> | <b>25,692.19</b> |



Notes to the consolidated financial statements for the year ended March 31, 2025

f. Assets classified as held for sale and liabilities associated with held for sale are as follows: (Contd...)

(Rs. in Lakhs)

| Particulars                                                                                            | 31.03.2025      | 31.03.2024       |
|--------------------------------------------------------------------------------------------------------|-----------------|------------------|
| <b>Liabilities</b>                                                                                     |                 |                  |
| <b>1) Non-current liabilities</b>                                                                      |                 |                  |
| a) Financial liabilities                                                                               |                 |                  |
| i) Borrowings                                                                                          | -               | 2,223.54         |
| b) Provisions                                                                                          | -               | 333.22           |
| c) Deferred Tax Liabilities (Net)                                                                      | -               | 685.10           |
| d) Other Liabilities                                                                                   | -               | 42.09            |
| <b>Total Non-Current Liabilities</b>                                                                   | -               | <b>3,283.95</b>  |
| <b>2) Current liabilities</b>                                                                          |                 |                  |
| a) Financial Liabilities                                                                               |                 |                  |
| i) Borrowings                                                                                          | -               | 3,954.89         |
| ii) Trade payables                                                                                     |                 |                  |
| a) Total outstanding dues of micro and small enterprises                                               | -               | 14.56            |
| b) Total outstanding dues of other than (ii)(a) above                                                  | -               | 1,761.84         |
| iii) Other financial liabilities                                                                       | -               | 677.12           |
| b) Provisions                                                                                          | -               | 237.57           |
| c) Other Current Liabilities                                                                           | -               | 81.89            |
| d) Current Tax Liabilities (Net)                                                                       | -               | 159.08           |
| e) Liabilities directly associated with Assets classified as held for sale/<br>Discontinued operations | 2,750.00        | 13,420.90        |
| <b>Total Current Liabilities</b>                                                                       | <b>2,750.00</b> | <b>20,307.85</b> |
| <b>Total Liabilities (1 + 2)</b>                                                                       | <b>2,750.00</b> | <b>23,591.80</b> |
| <b>Net assets directly associated with Discontinued operations</b>                                     | <b>2,030.11</b> | <b>2,100.39</b>  |

g. Net Cash flows attributable to Discontinued operations are as follows:

(Rs. in Lakhs)

| Particulars                                                 | 31.03.2025      | 31.03.2024      |
|-------------------------------------------------------------|-----------------|-----------------|
| Net Cash Flow from /(used in) in Operating activities       | (1,457.13)      | 284.44          |
| Net Cash Flow from / (used in) in Investing activities      | 7,954.00        | (181.26)        |
| Net Cash Flow from / (used in) in Financing activities      | -               | (584.83)        |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents</b> | <b>6,496.87</b> | <b>(481.65)</b> |

h. The sale of Garment and Processing division could not be completed before the year ended March 31, 2025 on account of pending clearance from lenders and hence the Assets are continued as Held-for-sale and the profit or loss from the said divisions disclosed as Profit or loss from discontinued operations for all the periods presented in this financial statement.

53. To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items. Previous year figures have been re-grouped or reclassified, to confirm to such current year's grouping / classifications. There is no impact on Equity or Net Loss due to these regrouping / reclassifications.

As per our report of even date  
For **P. N. Raghavendra Rao & Co**  
Chartered Accountants  
FRN : 0033285

**P R Vittel**  
Partner  
Membership No: 018111

Coimbatore  
21.05.2025

For and on behalf of the board

**S.V. ARUMUGAM**  
Chairman & Managing Director  
DIN 00002458

**K. SADHASIVAM**  
Director  
DIN 00610037

**N. KRISHNARAJ**  
Company Secretary  
ACS No. 20472

**S. SESHADRI**  
Chief Financial Officer



**Notes to the consolidated financial statements for the year ended March 31, 2025**

**54 Financial ratios**

| Sl. No. | Particulars                                 | Numerator                                                                                                          | Denominator                                                     | 31.03.2025 | 31.03.2024 | Variance | Reason for variance                                          |
|---------|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|------------|------------|----------|--------------------------------------------------------------|
| 1       | Current ratio<br>(in times)                 | Current assets                                                                                                     | Current liabilities                                             | 1.13       | 1.15       | (2%)     |                                                              |
| 2       | Debt-Equity Ratio<br>(in times)             | Total Debt (Long Term Borrowings + Short Term Borrowings + Interest Payable thereon)                               | Shareholder's Equity                                            | 1.13       | 1.26       | (10%)    |                                                              |
| 3       | Debt Service Coverage Ratio<br>(in times)   | Earnings available for Debt Services (Net profit after tax + Depreciation + Interest + other non cash adjustments) | Debt Service (Interest & Lease payments + principal repayments) | 0.64       | 0.95       | (33%)    | The variance is due to increase in earnings during the year. |
| 4       | Return on Equity Ratio (in %)               | Net profit after tax                                                                                               | Average shareholder's equity                                    | 1.66%      | (3.08%)    | (154%)   | The variance is due to increase in profit during the year.   |
| 5       | Inventory turnover ratio (in times)         | Cost of Goods sold                                                                                                 | Average Inventories                                             | 2.69       | 3.01       | (11%)    |                                                              |
| 6       | Trade Receivables turnover ratio (in times) | Revenue from operations                                                                                            | Average Trade Receivables                                       | 4.73       | 6.00       | (21%)    |                                                              |
| 7       | Trade payables turnover ratio (in times)    | Total Purchases                                                                                                    | Average Trade Payables                                          | 7.40       | 6.99       | 6%       |                                                              |
| 8       | Net capital turnover ratio (in times)       | Revenue from operations                                                                                            | Working capital                                                 | 16.23      | 17.07      | (5%)     | The variance is due to increase in profit during the year.   |
| 9       | Net profit ratio (in %)                     | Net Profit After Taxes                                                                                             | Revenue from operations                                         | 0.81%      | (1.12%)    | (172%)   | The variance is due to increase in profit during the year.   |
| 10      | Return on Capital employed (in %)           | Earnings Before Interest and Taxes (EBIT)                                                                          | Capital Employed                                                | 6.56%      | 3.87%      | 69%      | The variance is due to increase in profit during the year.   |
| 11      | Return on investment (in %)                 | Earnings Before Interest, Depreciation and Taxes (EBIDT)                                                           | Investment (Total Assets)                                       | 8.39%      | 6.15%      | 36%      | The variance is due to increase in earnings.                 |



### Notes to the consolidated financial statements for the year ended March 31, 2025

55. Additional information as required by Paragraph 2 of the general instructions for preparation of consolidated Ind AS financial statements to Schedule III to the Companies Act, 2013.

| Name of the entity                                                                                                                | Net Assets i.e., total assets minus total liabilities |                  | Share in profit or loss             |                 | Share in other comprehensive income             |                 | Share in total comprehensive income             |                 |
|-----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|------------------|-------------------------------------|-----------------|-------------------------------------------------|-----------------|-------------------------------------------------|-----------------|
|                                                                                                                                   | As % of consolidated net assets                       | Amount in Lakhs  | As % of consolidated profit or loss | Amount in Lakhs | As % of consolidated other comprehensive income | Amount in Lakhs | As % of consolidated total comprehensive income | Amount in Lakhs |
| <b>Holding Company</b><br>Bannari Amman Spinning Mills Limited                                                                    | 102%                                                  | 42,272.50        | 105%                                | 756.93          | 100%                                            | 13.38           | 105%                                            | 770.31          |
| <b>Indian -Subsidiaries</b><br>Bannari Infotech Private Limited (Formerly known as Bannari Amman Infinite Trendz Private Limited) | -2%                                                   | (774.48)         | -5%                                 | (37.85)         | 0%                                              | -               | -5%                                             | (37.85)         |
| <b>Total</b>                                                                                                                      | <b>100%</b>                                           | <b>41,498.02</b> | <b>100%</b>                         | <b>719.09</b>   | <b>100%</b>                                     | <b>13.38</b>    | <b>100%</b>                                     | <b>732.47</b>   |


**Financial Performance - Yearwise**

(₹ In lakhs)

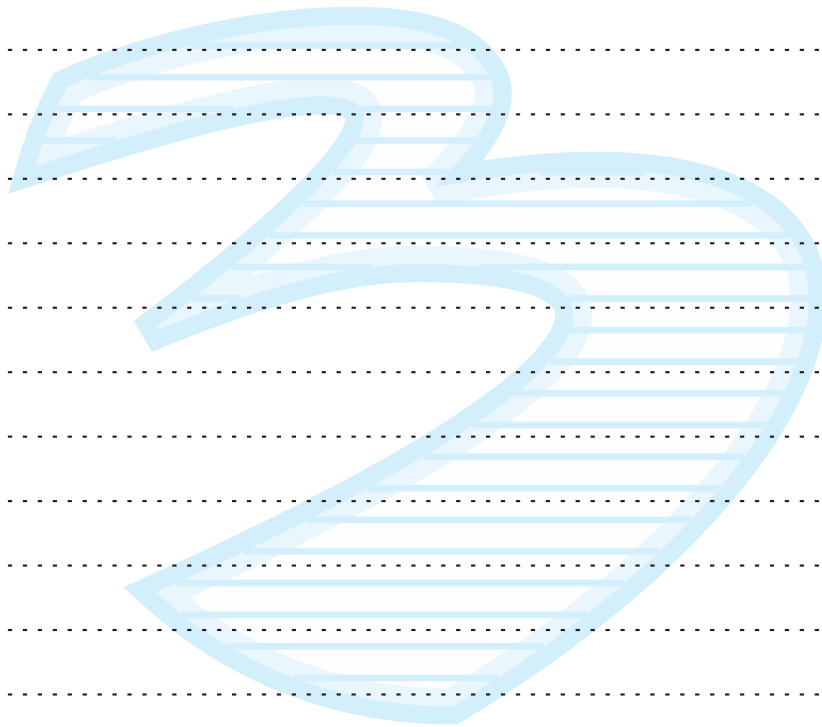
| Financial Year           | Equity Share Capital | Reserves & Surplus | Turnover * | Profit Before Depreciation | Depreciation | Profit Before Tax | Dividend on Equity Shares (%) |
|--------------------------|----------------------|--------------------|------------|----------------------------|--------------|-------------------|-------------------------------|
| 1994-1995                | 350.05               | 0.32               | 8.60       | 1.21                       | 0.90         | 0.32              | -                             |
| 1995-1996<br>(18 months) | 350.05               | 42.16              | 3171.12    | 185.77                     | 143.93       | 41.84             | -                             |
| 1996-1997                | 350.05               | 104.84             | 4936.08    | 769.28                     | 668.09       | 101.19            | 10                            |
| 1997-1998                | 350.05               | 181.02             | 5270.53    | 494.61                     | 379.92       | 114.69            | 10                            |
| 1998-1999                | 350.05               | 592.27             | 6137.82    | 792.70                     | 342.60       | 450.10            | 10                            |
| 2000-2001<br>(18 months) | 350.05               | 1464.27            | 9942.63    | 1702.90                    | 537.03       | 1165.87           | 15                            |
| 2001-2002                | 350.05               | 1736.63            | 6365.46    | 736.57                     | 333.64       | 402.93            | 10                            |
| 2002-2003                | 350.05               | 2085.64            | 6361.65    | 1183.80                    | 340.02       | 843.78            | 10                            |
| 2003-2004                | 350.05               | 2685.39            | 7533.23    | 1206.95                    | 322.97       | 883.99            | 20                            |
| 2004-2005                | 875.13               | 3601.48            | 7487.43    | 1789.41                    | 321.42       | 1467.99           | 20                            |
| 2005-2006                | 1575.43              | 13569.54           | 8670.07    | 2044.41                    | 470.86       | 1573.55           | 20                            |
| 2006-2007                | 1575.43              | 14903.05           | 11033.07   | 2563.34                    | 848.69       | 1714.65           | 20                            |
| 2007-2008                | 1575.43              | 14657.28           | 20933.17   | 3122.39                    | 1493.26      | 1629.12           | 20                            |
| 2008-2009                | 1575.43              | 14454.79           | 29095.40   | 3139.29                    | 2180.84      | 958.44            | 10                            |
| 2009-2010                | 1575.43              | 15683.92           | 35427.40   | 4799.92                    | 2565.30      | 2234.62           | 15                            |
| 2010-2011                | 1575.43              | 19196.90           | 58645.01   | 12108.40                   | 5389.09      | 6719.31           | 20                            |
| 2011-2012                | 1575.43              | 17559.28           | 43660.96   | 326.46                     | 3722.63      | -3396.16          | -                             |
| 2012-2013                | 1575.43              | 19922.46           | 54928.79   | 7648.08                    | 3575.65      | 4072.42           | 20                            |
| 2013-2014                | 1575.43              | 22710.63           | 71654.61   | 8105.12                    | 3500.16      | 4604.96           | 20                            |
| 2014-2015                | 1575.43              | 23764.29           | 68539.95   | 4580.63                    | 2666.24      | 1914.38           | 15                            |
| 2015-2016                | 1575.43              | 25315.94           | 77568.04   | 5653.94                    | 2880.73      | 2772.21           | 16                            |
| 2016-2017                | 1575.43              | 27318.00           | 86703.47   | 4402.52                    | 2957.47      | 1445.05           | 18                            |
| 2017-2018                | 1575.43              | 27713.08           | 93164.67   | 3586.83                    | 2823.26      | 763.57            | 16                            |
| 2018-2019                | 1575.43              | 29334.00           | 101642.61  | 4912.48                    | 3005.32      | 1907.16           | 16                            |
| 2019-2020                | 1575.43              | 29096.74           | 93506.78   | 2854.65                    | 2831.16      | 23.49             | -                             |
| 2020-2021                | 1575.43              | 28087.79           | 80466.72   | 1563.77                    | 2809.11      | (1245.34)         | -                             |
| 2021-2022                | 3242.09              | 41119.36           | 129832.89  | 10425.68                   | 2817.61      | 7608.09           | 12                            |
| 2022-2023                | 3242.09              | 37305.85           | 109034.75  | (1794.07)                  | 2728.98      | (4523.05)         | -                             |
| 2023-2024                | 3242.09              | 37966.81           | 89717.49   | 59.67                      | 2886.58      | (2826.91)         | -                             |
| 2024-2025                | 3242.09              | 39031.41           | 92385.06   | 2251.92                    | 2522.47      | (270.55)          | -                             |

\* Turnover = Net Sales + Closing Stock - Opening Stock

\* Excludes interdivision transfers

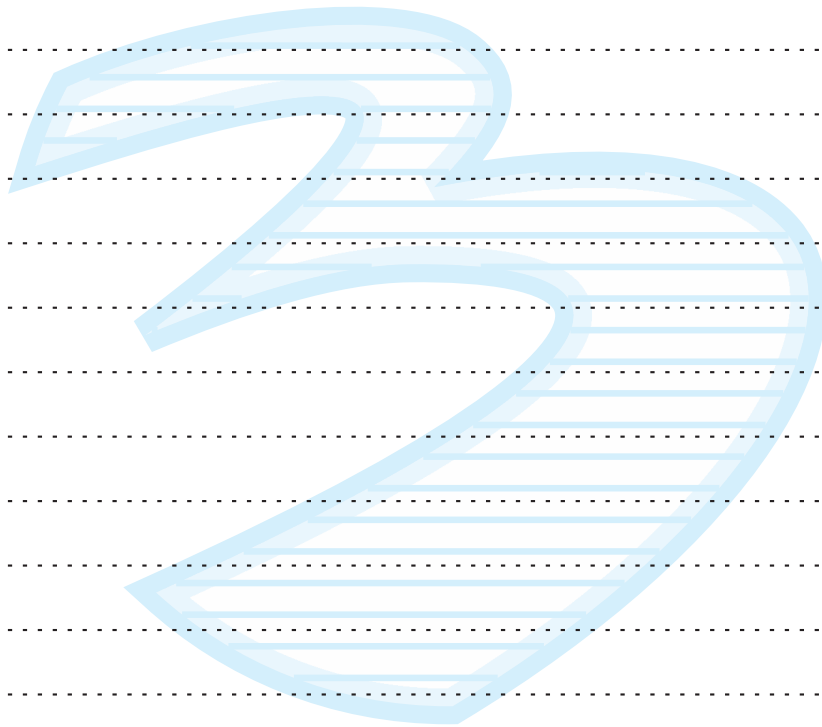


Notes





Notes







## **BANNARI AMMAN SPINNING MILLS LIMITED**

**Registered Office:** 252, Mettupalayam Road, Coimbatore

**CIN :** L17111TZ1989PLC112476

**Ph:** 0422 - 2435555, **E-mail:** [shares@bannarimills.com](mailto:shares@bannarimills.com), **Web:** [bannarimills.com](http://bannarimills.com)